

**This booklet contains:**

- ☐ FORM 140-SBI -
Small Business Income Tax Return
- ☐ FORM 204-SBI -
Extension Payment For Tax Year 2025
Small Business Income Tax Returns Only
- ☐ FORM 140ES-SBI -
Individual Estimated Income Tax Payment
Small Business Income Tax Return
- ☐ FORM 301-SBI -
Nonrefundable Individual Tax Credits and Recapture
for Forms 140-SBI, 140PY-SBI, 140NR-SBI or 140X-SBI
- ☐ FORM 309-SBI -
Credit for Taxes Paid to Another State or Country For
Forms 140-SBI, 140NR-SBI and 140PY-SBI



Notice

As a rule, the starting point for your Arizona return is your federal adjusted gross income. To take itemized deductions, you must start with the amount shown on the federal Schedule A. This is the case for 2025, except for changes Congress made to the federal tax code during 2025, and the following applies:

1. The changes affect how you figure your federal adjusted gross income.

AND/OR

2. The changes affect how you figure your itemized deductions.

When federal changes are made, the Arizona legislature must adopt those changes if the Arizona starting points are kept the same. The legislature will address this issue when it is in session during 2026. The Arizona Department of Revenue must publish these forms before this issue is addressed by the legislature. When ADOR went to print, Arizona had not yet adopted any federal tax law changes made after January 1, 2025.

What does this mean to you? It means that if any of the federal law changes made after January 1, 2025 apply to your 2025 return, you can opt to file your 2025 return using one of the following methods:

1. You can wait and file your 2025 return after this issue has been addressed.

To do this, you may need to ask for a filing extension. You must pay 90% of the tax due by the due date of the return before any extension.

2. You can file your 2025 return, assuming that the federal law changes will be adopted. The 2025 tax forms make these assumptions.

If you opt for method 2, one of the following will apply:

- If Arizona adopts those changes, you do not have to do anything more.
- If Arizona does not adopt all federal changes, you may need to amend your 2025 Arizona return. Your amended return will have to show the difference between the Arizona law and the federal law. If this happens, we will post more details on our Conformity web page at <https://azdor.gov/legal-research/conformity-irc>.
- Generally, no penalties or interest will be assessed on these amended returns if you follow the Department's instructions and pay any tax due when you file your original 2025 return, and you file and pay the required amended return by the extended due date of your 2026 return.

3. You can file your 2025 return, assuming that we will not adopt the federal law changes. If you opt for this method, you will have to do the following:

- You will have to research all of the federal changes made after January 1, 2025.
- You will have to figure out if any of those changes apply to you.
- You will have to figure out how to make adjustments for those changes on your return.

If you opt for method 3, one of the following will apply:

- If Arizona does not adopt those changes, you do not have to do anything more.
- If Arizona adopts those changes, you may need to amend your 2025 Arizona return. Your amended return will have to show the difference between what you reported and what you should have reported. If this happens, we will post more details on our Conformity web page at <https://azdor.gov/legal-research/conformity-irc>.

Due Date for Calendar Year Filer

Your 2025 individual income tax return is due by midnight on April 15, 2026. If you file under a valid extension, your extended due date to file your income tax return is October 15, 2026.

Arizona 2025 Changes

Some of these changes include:

2025 Arizona Standard Deduction Amounts Adjusted

The 2025 Arizona standard deduction amounts are:

- \$ 15,750 for a single taxpayer or a married taxpayer filing a separate return;
- \$ 31,500 for a married couple filing a joint return; and
- \$ 23,625 for individuals filing a head of household return.

Change to Standard Deduction Increase for Charitable Contributions

For taxpayers who do not itemized deductions on their 2025 Arizona income tax return and elect to take the standard deduction, the allowable Standard Deduction Increase was modified. For tax year 2025, the allowable portion of your charitable contributions used to compute your Standard Deduction Increased was increased from 33% to 34% of the qualified charitable contributions made during the tax year. Taxpayers must complete page 3 of their personal income tax form to claim the Standard Deduction Increase. (Arizona Form 140, Form 140PY or Form 140NR).

2025 New Tax Rate of 2.5% for All Income Levels and Filing Status

The Optional Tax Table and the X and Y Tax Table are now obsolete.

Credit for Contributions to Private School Tuition Organizations (Form 323)

The allowable current year credit for contributions to private school tuition organizations was adjusted for inflation purposes. For 2025, the maximum current year credit is:

- \$769 for single and head of household taxpayers.
- \$1,535 for married taxpayers filing a joint return.

Credit for Contributions Made to Certified School Tuition Organizations (Form 348)

The allowable current year credit for contributions to a certified school tuition organization was adjusted for inflation purposes. For 2025, the maximum current year credit is:

- \$766 for single and head of household taxpayers.
- \$1,527 for married taxpayers filing a joint return.

Credit for Contributions to Qualifying Foster Care Charitable Organizations

This individual income tax credit is available for contributions to Qualifying Foster Care Charitable Organizations that provide immediate basic needs to residents of Arizona who receive temporary assistance for

needy families (TANF) benefits, are low-income residents of Arizona, or are individuals who have a chronic illness or physical disability, and provide immediate basic needs to at least 200 qualifying individuals in the foster care system.

The tax credit is claimed on Form 352. The maximum QFCO credit donation amount for 2025:

- \$618 single, married filing separate or head of household
- \$1,234 married filing joint.

The maximum QFCO credit donation amount for 2026:

- \$632 single, married filing separate or head of household;
- \$1,262 married filing joint.

Please Note: Note: Arizona law allows QFCO donations made during 2025 or donations made from January 1, 2026 through April 15, 2026 to be claimed on the 2025 Arizona income tax return. The maximum credit that can be claimed on the 2025 Arizona return for donations made to QFCO's is \$618 for single, married filing separate and head of household taxpayers, and \$1,234 for married filing joint taxpayers. If a taxpayer makes a QFCO donation from January 1, 2026 through April 15, 2026 and wants to claim the higher 2026 maximum credit amount, the taxpayer will need to claim the credit on their 2026 Arizona return filed in 2027.

Credit for Contributions to Qualifying Charitable Organizations

This individual income tax credit is available for contributions to Qualifying Charitable Organizations that provide immediate basic needs to residents of Arizona who receive temporary assistance for needy families (TANF) benefits, are low-income residents of Arizona, or are individuals who have a chronic illness or physical disability. The tax credit is claimed on Form 321.

The maximum QCO credit donation amount for 2025:

- \$495 single, married filing separate or head of household;
- \$987 married filing joint.

The maximum QCO credit donation amount for 2026:

- \$506 single, married filing separate or head of household;
- \$1,009 married filing joint.

Please Note: Note: Arizona law allows QCO donations made during 2025 or donations made from January 1, 2026 through April 15, 2026 to be claimed on the 2025 Arizona income tax return. The maximum credit that can be claimed on the 2025 Arizona return for donations made to QCO's is \$495 for single, married filing separate or head of household taxpayers, and \$987 for married filing joint taxpayers. If a taxpayer makes a QCO donation from January 1, 2026 through April 15, 2026 and wants to claim the higher 2026 maximum credit amount, the taxpayer will need to claim the credit on their 2026 Arizona return filed in 2027.

Due date for Calendar Year Filers

Your 2025 Small Business Income tax return is due by midnight on April 15, 2026. If you file under a valid extension, your extended due date to file your income tax return is October 15, 2026.

2025 Arizona Small Business Income (SBI) Tax

The tax rate applicable to small business taxable income reported on Forms 140-SBI, 140PY-SBI or Form 140NR-SBI remains at 2.5% for 2025.

2025 Small Business Income Tax Return (Residents)

Arizona Form 140-SBI

For information or help, call one of the numbers listed:

Phoenix (602) 255-3381
From area codes 520 and 928, toll-free (800) 352-4090

Tax forms, instructions, and other tax information

If you need tax forms, instructions, and other tax information, go to the department's website at www.azdor.gov.

Income Tax Procedures and Rulings

These instructions may refer to the department's income tax procedures and rulings for more information. To view or print these, go to our website select the *About* tab on the home page and select *Legal Research* from the drop-down menu and then click on *Procedures* or *Rulings* from the drop-down menu. Using the Category box, select the tax type and then scroll down to find the *Document ID* or use the *Search Keyword* function to locate the document.

Publications

To view or print the department's publications, go to our website select the *About* tab on the home page and select *Legal Research* from the drop-down menu and then click on *Publications* from the drop-down menu.

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E-file today and pay by April 15, 2026 to avoid penalties and interest.

E-file through an authorized IRS/DOR *e-file* provider or by using your personal computer and the Internet.

Visit our website at www.azdor.gov for a listing of approved *e-file* providers and on-line filing sources.

** For free *e-file* requirements, check out our website at www.azdor.gov.

AVOID PROCESSING DELAYS: Are you mailing your Arizona Small Business income tax return? If you are mailing your return to the department, you must include Form 140-SBI with your Form 140, when filed. See the mailing instructions for Form 140 for assembly order (form sequence) information.

NOTE: If you made any 2025 estimated tax payments for the 140-SBI tax return and are not electing to report small business income on the 140-SBI return for tax year 2025, you must file a zero "0" 2025 140-SBI return to claim any overpayment from the 2025 estimated taxes. The overpayment shown on Form 140-SBI tax return will be applied against any tax liability (TAX DUE) shown on the personal income tax return (Form 140). After netting the two returns, the department will either issue a refund or bill the taxpayer for any remaining tax due, if applicable.

If you do not file a zero 140-SBI return to claim only the overpayment from estimated taxes, the processing of the SBI overpayment may be delayed along with any application to your personal income tax liability shown on the return.

How do I file a zero "0" 140-SBI tax return?

1. Complete all information on lines 1, 2 and 3.
2. Select your filing status in box 95.
3. On the following lines, enter "0".
 - Line 10, Total Small Business Income
 - Line 28, Subtotal
 - Line 53, Arizona Small Business Taxable Income
 - Line 54, Small Business Income Tax
 - Line 56, Subtotal of Tax
 - Line 58, Balance of Tax

4. Amounts must be entered on the following lines:

- Line 59c – Estimated Tax Payments

Enter the total amount of estimated tax payments made on Form 140ES-SBI or through AZTaxes.gov during 2025 tax year on line 59c (box 59a).

- Line 64 - Overpayment
- Line 66 - Balance of Overpayment
- Line 69, Refund

5. Sign and date the return. If you paid someone to prepare your tax return, that person must also sign and date the return.
6. Include Form 140-SBI return with your timely filed personal income tax return.

If form is not complete or calculation lines are left blank, processing your return may be delayed.

Who Can Use Form 140-SBI?

Beginning with tax year 2021, full-year resident individuals may elect to report their small business income on Arizona Form 140-SBI, *Small Business Income*, for the small business income amount included in their federal adjusted gross income. An individual's small business income is reported on federal Schedules B, C, D, E, F and Form 4797 (for amounts not included on Schedule D).

Additional information and guidance can be found in the department's Publication 712, *Summary of Arizona Small Business Income and Taxation*.

How do I elect to report Small Business Income on Arizona Form 140-SBI?

Taxpayers make the election by simply completing Form 140-SBI reporting their small business income and including the completed form with their Arizona Form 140, *Resident Personal Income Tax Return*, when filed. If you do not timely file Form 140-SBI with your Form 140, your election will be denied and the subtraction on your Form 140 will be disallowed.

If you are electing to report your small business income on Form 140-SBI, be sure to check the box on line 13 (13S) on Form 140. If you are not making the election, do not check box 13S or enter an amount on line 13 on Form 140.

NOTE: *You must include Form 140-SBI with your Form 140, when filed. If you do not include Form 140-SBI with your Form 140, processing of your return may be delayed or your subtraction on line Form 140, line 13, may be denied. See the Mailing instruction (Form 140) for the correct address when mailing both Form 140 and Form 140-SBI*

What if a Taxpayer Died?

If a taxpayer died before filing a return for 2025, the taxpayer's spouse or personal representative may have to file and sign a return for that taxpayer. A personal representative can be an executor, administrator, or anyone who is in charge of the deceased taxpayer's property.

The person who files the return should use the form the taxpayer would have used. The person who files the return should print the word "deceased" after the decedent's name and enter the date of death after the decedent's name.

Claiming a Refund for a Deceased Taxpayer

If you are claiming a refund on Form 140-SBI for a deceased taxpayer, you **must** complete Arizona Form 131-SBI, *Claim for Refund on Behalf of Deceased Taxpayer*.

If you are claiming a refund on Form 140 for a deceased taxpayer, you must also complete Arizona Form 131, *Claim for Refund on Behalf of Deceased Taxpayer*. Place Form 131-SBI behind the last page of Form 140-SBI. Place Form 131 behind the last page of Form 140. See the form sequence at the end of the instructions for completing Form 140.

What are the Filing Dates and Penalties?

NOTE: *If the due date for an income tax or related payment falls on a weekend and/or legal holiday, the filing or payment is considered timely if filed or paid on the next business day and that business day is a day other than Saturday, Sunday or a legal holiday.*

When Should You File?

NOTE: *Your small business income tax return (Form 140-SBI) must be timely filed (including extension). If you do not file Form 140-SBI timely, your election will be denied and the subtraction on your Form 140 will be disallowed.*

Your small business tax return's due date is the same as the due date for your Form 140. Your 2025 calendar year small business tax return is due no later than midnight, April 15, 2026. File your return as soon as you can after January 1, 2026, but no later than April 15, 2026 **to timely file your 2025 tax return.**

If you are a fiscal year filer, your return is due on the 15th day of the fourth month following the close of your fiscal tax year.

What if You Cannot File on Time?

You may request an automatic 6-month extension if you know you will not be able to file on time. If you request an extension to file your 2025 calendar year tax return, your due date is October 15, 2026 **to timely file your 2025 tax return.**

If you file Form 204 requesting an extension for your Form 140, it will also apply to Form 140-SBI. Do not file a separate extension request for Form 140-SBI.

Only use Form 204-SBI to make an extension payment for Form 140-SBI.

NOTE: *An extension does not extend the time to pay your income tax. See the instructions for Arizona Form 204.*

To get a filing extension, you can either

- Apply for a state extension (Arizona Form 204). To apply for a state extension, file Form 204 by April 15, 2026. See Form 204 for details. You do not have to include a copy of the extension with your return when you file, but make sure that you check box **82F** (above your name) on page 1 of the return. If you must make an extension payment for your small business income tax return, use Arizona Form 204-SBI, or visit www.AZTaxes.gov to make an electronic payment.
- Use your federal extension (federal Form 4868). File your Arizona return by the same due date. You do not have to include a copy of your federal extension with your return, but make sure that you check box **82F** (above your name) on page 1 of the return.

When Should You File if You Are a Nonresident Alien?

As a Nonresident Alien, do not file Form 140 or Form 140-SBI. Use Form 140NR, *Nonresident Personal Income Tax Return*, to report your Arizona sourced income and Form 140NR-SBI if you elect to report your Arizona sourced small business income on the Small Business Income Tax Return. **See the instructions for Form 140NR for your filing due dates.**

What if You File or Pay Late?

Late Payment Penalty

If you pay your small business income tax liability late, we will charge you interest and penalties on the amount you owe. If the U.S. Post Office postmarks your 2025 calendar year return by April 15, 2026, your return will not be late. You may also use certain private delivery services designated by the Internal Revenue Service (IRS) to meet the "timely mailing as timely filed" rule. For more information, see "Mailing Your Return" at the end of these instructions.

Late Filing Penalty

You must file Form 140-SBI timely along with your Form 140 by the original due date (including valid extensions). If you file Form 140-SBI late, your small business election will be denied and the return rejected. In addition, the subtraction on Form 140 return will be disallowed. In this case, no late filing penalty will be assessed on your small business income tax return. However, the late filing penalty may still be assessed on your Form 140 return if it was filed late.

If you file your Form 140 late, we will charge you a late filing penalty on your Form 140. This penalty is 4½% (.045) of the tax required to be shown on the return for each month or fraction of a month the return is late. This penalty cannot exceed 25% (.25) of the tax found to be remaining due.

Late Payment Penalty

If you pay your tax late, we will charge you a late payment penalty. This penalty is ½ of 1% (.005) of the amount shown as tax for each month or fraction of a month for which the failure continues. We charge this penalty from the original due date of the return until the date you pay the tax. This penalty cannot exceed a total of 10% (.10) of the unpaid tax.

Underpayment of Estimated Tax Penalty

If an individual who fails to make the required small business income estimated tax payments is subject to penalty on any estimated tax payment that is late or underpaid. See Form 221-SBI for more information.

Extension Underpayment Penalty

If you file your return under an extension, you must pay 90% (.90) of the tax shown on your return by the return's original due date. If you do not pay this amount, we will charge you a penalty. This penalty is ½ of 1% (.005) of the tax not paid for each 30-day period or a fraction of a 30-day period. We charge this penalty from the original due date of the return until the date you pay the tax. This penalty cannot exceed 25% (.25) of the unpaid tax. If we charge you the extension underpayment penalty, we will not charge you the late payment penalty under Arizona Revised Statutes (A.R.S.) § 42-1125(D).

NOTE: *If you are subject to two or more of the above penalties, the total cannot exceed 25%.*

Interest

We charge interest on any tax not paid by the due date. We will charge you interest even if you have an extension. If you have an extension, we will charge you interest from the original due date until the date you pay the tax. The Arizona interest rate is the same as the federal rate.

When Should You Amend a Return?

If you need to make changes to your small business tax return after you have filed, **do not** file a new return using Form 140-SBI. You must file Arizona Form 140X-SBI, *Small Business Amended Income Tax Return*. File your amended return after your original return has processed. Generally, you have four years to amend a return to claim a refund.

If either of the following applies, file Form 140X-SBI.

- You are changing any amount originally reported on Form 140-SBI or latest amended return.
- You are rescinding your election to report small business on Form 140-SBI.

If you amend your small business income tax return, you are required to amend your Form 140, using Form 140X. For more information, see the instructions for Form 140X.

If you amend your federal return changing amounts originally reported on federal Schedules B, C, D, E, F and Form 4797 for any year, you must also file an Arizona Form 140X-SBI and 140X for that year.

If the IRS makes a change to your federal taxable income for any year, you must report that change to Arizona. You must file Form 140X-SBI and 140X within 90 days of the final determination of the IRS. You may use one of the following two options to report this change.

Option 1

You may file Forms 140X-SBI and 140X for that year. If you choose this option, you must amend and mail your Arizona returns within 90 days of the final determination of the IRS. Include a complete copy of the federal notice with your Forms 140X-SBI and 140X.

Option 2

You may file a copy of the final federal notice with the department within 90 days of the final determination of the IRS.

If you choose this option, you must include a statement in which you must:

1. Request that the department recompute your tax on Forms 140-SBI and 140; **and**
2. Indicate if you agree or disagree with the federal notice.

If you do not agree with the federal notice, you must also include any documents that show why you do not agree. If you choose Option 2, mail the federal notice and any other documents to:

Individual Income Audit
Arizona Department of Revenue
PO Box 29084
Phoenix, AZ 85038-9084

Do You Need to Make Arizona Estimated Payments For the Small Business Tax Return in 2026?

NOTE: *If you will be filing a zero "0" tax return for tax year 2025 only reporting an overpayment of any 2025 estimated/extension payments made you are not required to make estimated small business tax payments for tax year 2026.*

Taxpayers are required to make small business income estimated tax payments if the small business income liability will exceed \$1,000 (small business income tax less allowable tax credits). Taxpayers must pay 90% of current or 100% of last year's tax liability. The 100% of last year exception only applies if a taxpayer filed a small business income tax return in the prior year.

See Form 140ES-SBI, page 2 to determine if you are required to make estimated tax payments in 2026.

Use the worksheet for Arizona Form 140ES-SBI to figure how much your payments should be. For more information about making estimated payments, see the department's publication, Pub. 012, *Arizona Individual Estimated Income Tax Payments*.

What if You Make Your Estimated Payments Late?

We will charge you a penalty if you are late or if you fail to make any required payments. See Arizona Form 221-SBI.

Can You Make Estimated Payments Even if You Do Not Have To?

If you do not have to make Arizona estimated income tax payments, you may still choose to make them. For details, see Arizona Form 140ES-SBI.

Line-by-Line Instructions

Tips for Preparing Your Return

- You must complete your federal return before you can start your Arizona small business income tax return.
- Make sure that you enter your Social Security Number (SSN) on your return that you entered on your Form 140.
- Complete your return using black ink. If you are married filing a joint return, make sure that you enter your spouse's SSN entered on Form 140.
- You **must** round dollar amounts to the nearest whole dollar. If 50 cents or more, round up to the next dollar. If less than 50 cents, round down. Do not enter cents.
- If you are mailing your return, see mailing instructions for Form 140 for the assembly order.
- Make sure you include your daytime telephone number.
- If filing a fiscal year return, fill in the period covered.

Entering Your Name, Address, and SSN

Lines 1, 2, and 3

NOTE: Make sure you enter your SSN on the appropriate line and your SSN is correct. If you are filing a joint return, also make sure you enter your SSNs in the same order every year.

Enter your name, address, and SSN in the space provided as reported on Form 140. If you are filing a joint return, enter your SSNs in the same order as your first names. If your name appears first on the return, make sure your SSN is the first number listed.

If you are married filing separately, enter your name and SSN on the first line 1. Enter your spouse's name and SSN on the second line 1.

Make sure that you enter your SSN on your return. Make sure that all SSNs are clear and correct. You may be subject to a penalty if you fail to include your SSN. It will take longer to process your return if SSNs are missing, incorrect, incomplete or unclear.

Use your current home address or PO Box. The department will mail your refund to or correspond with you at that address.

For a deceased taxpayer, see page 2 of these instructions.

Foreign Addresses

If you have a foreign address, enter the information in the following order: city, province or state, and country. Follow the country's practice for entering the postal code. Do not abbreviate the country name.

Identification Numbers for Paid Preparers

If you pay someone else to prepare your return, that person must also include an identification number where requested. A paid preparer may use any of the following:

- his or her PTIN;
- his or her SSN; or
- the EIN for the business.

A paid preparer who fails to include the proper identification number may also be subject to a penalty.

Box 3a - Injured Spouse Protection of Joint Overpayment

Check box 3a *only* if you and your spouse are filing a joint return *and* you or your spouse qualify as an injured spouse and are requesting protection from application of any joint overpayment against the other spouse's delinquencies or debts for back child support, court fees, and fees to counties, cities or educational institutions. **The taxpayer (spouse) requesting injured spouse protection must have made estimated payments on Form 140-SBI.**

NOTE: You cannot use Form 203 to request protection from offset for past-due federal taxes. You must contact the IRS.

You **must** complete Arizona Form 203, *Request for Injured Spouse Protection from Application of Joint Overpayment Against Spouse's Delinquencies and Debts*, and include that form with your tax return when filed. For more information, see the instructions for Form 203.

Determining Your Filing Status – Line 95 (Boxes 95a through 95d)

The filing status that you use on your Arizona small business income tax return (Form 140-SBI) must be the same filing status used on your Form 140. For information on determining your filing status, see the instructions for Forms 140.

- Check box 95a if you are married and filing a joint return.
- Check box 95b if you are married and filing a separate return.
- Check box 95c if you are filing as Head of Household.
- Check box 95d if you are filing as single.

For more information on filing a joint tax return with your part-year resident or nonresident spouse, see the department's ruling, ITR 14-1, *Filing a Joint Tax Return When a Resident Spouse is Married to a Part-Year Resident or Nonresident*.

Totaling Your Income

Lines 4 through 9

You must complete your federal return (Schedules B, C, D, E, F and Form 4797) before you enter an amount on lines 4 through 9. You must complete a 2025 federal return to determine your federal adjusted gross income, even if you are not filing a federal return.

Arizona uses federal Schedules B, C, D, E, F and Form 4797 as a starting point to determine your Arizona small business taxable income and the adjustment taken on Form 140, line 13.

NOTE: You must complete lines 4 through 10 on Form 140-SBI to determine the amount to enter on line 13 (Form 140).

Line 4 – Federal Schedule B

Enter the amount of your interest and ordinary dividends income reported on your federal Schedule B and included in federal adjusted gross income.

Line 5a – Federal Schedule C

Enter the amount of your profit or loss from business reported on your federal Schedule C and included in federal adjusted gross income.

Line 5b

Enter your NAICS code shown on your Federal Schedule C. If you have more than one Schedule C, enter the NAICS code from Schedule C with highest gross receipts.

Line 6 – Federal Schedule D

Enter the portion of net capital gains or losses that are included in federal schedule D and federal adjusted gross income (FAGI) that are from the sale of an ownership interest in a non-publicly traded entity or the disposition of capital assets used in connection with a trade or business activity (including goodwill and going concern value). All other capital gains or losses that were included in FAGI should be reported on Form 140.

Line 7a – Federal Schedule E

Enter the amount of supplemental income and loss reported on your federal Schedule E and included in federal adjusted gross income.

NOTE: The amount entered on line 7a should equal the sum of lines 7b through 7f.

Line 7b – Rental Real Estate, Royalties

Enter the total amount of income or loss from rental real estate and royalties reported on your federal Schedule E, Part I and included in federal adjusted gross income.

Line 7c – Income or Loss from Partnerships and S Corporations

Enter the total amount of partnership and S Corporations income or loss reported on your federal Schedule E, Part II and included in federal adjusted gross income.

Line 7d – Income or Loss from Estates and Trusts

Enter the total amount of estate and trusts income or loss reported on your federal Schedule E, Part III and included in federal adjusted gross income.

Line 7e – Income or Loss from Real Estate Mortgage Investment Conduits (REMICs)

Enter the total amount of REMIC income or loss reported on your federal Schedule E, Part IV and included in federal adjusted gross income.

Line 7f – Income or Loss from Farm Rental

Enter the total amount of farm rental income or loss from federal form 4835 that is reported on your federal Schedule E, Part V and included in federal adjusted gross income.

Line 8 – Federal Schedule F

Enter the amount of profit or loss from farming that is reported on federal Schedule F and included in federal adjusted gross income.

Line 9 – Federal Form 4797

Enter the amounts reported on federal Form 4797 that are not reported on federal Schedule D. These amounts are reported on federal Schedule 1. Enter only those amounts reported on federal Schedule 1 and included in federal adjusted gross income.

Line 10 - Total Small Business Income

Add lines 4, 5a, 6, 7a, 8 and 9. Enter the total.

Total amount entered on line 10 is also reported on Form 140, line 13.

Additions to Income

Line 11 - Fiduciary Adjustment

A fiduciary uses Arizona Form 141AZ Schedule K-1 to report to you your share of the fiduciary adjustment from the trust or estate.

Line 3 of Form 141AZ Schedule K-1 shows your share of the fiduciary adjustment from the estate or trust. If the amount reported on line 3 of your Form 141AZ Schedule K-1 is a positive number, enter that amount on line 11.

NOTE: If the amount reported on line 3 of your Form 141AZ Schedule K-1 is a negative number, enter that amount on line 34.

Line 12 - Non-Arizona Municipal Interest

Enter the amount of interest income from non-Arizona municipal bonds that you did not include as small business income on your federal Schedule B.

You may exclude any expenses incurred to purchase or carry the obligation. Reduce the interest income by the amount of those expenses that you could not deduct on your federal return.

If you received tax exempt interest from municipal bonds, keep a schedule listing the payors and the amount received from each payor for your records. You should also keep supporting documents for amounts received from Arizona municipal bonds that are exempt from Arizona income tax. These may be items such as bank statements, brokerage statements, etc.

Line 13 - Partnership Income Adjustment

Complete line 13 if you received an Arizona Form 165 Schedule K-1 and line 3 shows a difference between federal and state distributable income.

If the difference reported on line 3 of your Form 165 Schedule K-1 is a positive number, enter that difference as an addition on line 13.

NOTE: If the difference reported on line 3 of your Form 165 Schedule K-1 is a negative number, enter the difference on 38.

Line 14 - Total Federal Depreciation

Enter the total amount of depreciation deducted on your federal return. If you make an entry here, you should also take a subtraction on line 37. To figure how much you should subtract, see the instructions for line 37.

Line 15 - Net Capital (Loss) from Exchange of One Kind of Legal Tender for Another Kind of Legal Tender

NOTE: *Only claim the addition on this return if the net capital loss to which the addition relates to the Arizona Small Business Income Tax Return.*

To determine if you are required to make this addition to income, you must net **all** gains and (losses) from all exchanges of one kind of legal tender for another kind of legal tender, including amounts shown on Form 165 Schedule K-1, Form 120S Schedule K-1, and Form 141AZ Schedule K-1.

Enter the amount of any net capital (loss) included in line 6 for the taxable year that is derived from the exchange of one kind of legal tender for another kind of legal tender.

NOTE: *If the amount from all sources results in a **net capital gain** from the exchange of one kind of tender for another kind of tender, enter that amount on line 36.*

For the purposes of this paragraph:

"Legal tender" means a medium of exchange, including specie that is authorized by the United States Constitution or Congress for the payment of debts, public charges, taxes and dues. "Specie" means coins having precious metal content.

Line 16 - Claim of Right Adjustment for Small Business Amounts Repaid in 2025

NOTE: *For lines 16, 17 and 23; if the income required to be paid back under the claim of right is the type of income that would be included in lines 4 through 9 if the income was reported in 2025, make this adjustment here. All other claim of right adjustments should be made on 140 return, page 5.*

You must make an entry here if **all** of the following apply:

- During 2025, you were required to repay amounts held under a claim of right.
- The amount required to be repaid during 2025 was more than \$3,000.
- You took a deduction for the amount repaid on your 2025 federal income tax return.

If the above apply, include the amount deducted on your federal income tax return. For more information on the Arizona claim of right provisions, see the department's procedure, ITP 16-1, *Procedure for Individuals Who Restore Substantial Amounts Held under a Claim of Right*.

Line 17 - Claim of Right Adjustment for Small Business Amounts Repaid in Prior Years

You must make an entry here if **all** of the following apply:

- During a year prior to 2025, you were required to repay small business income amounts held under a claim of right.

- You computed your tax for that prior year under Arizona's claim of right provisions.
- A net operating loss or capital loss was established due to the repayment made in the prior year.
- You are entitled to take that net operating loss or capital loss carryover into account when computing your 2025 Arizona taxable income.
- The amount of the loss carryover included in your federal income is more than the amount allowed to be taken into account for Arizona purposes.

Include the amount by which the loss carryover included in your federal adjusted gross income is more than the amount allowed for the taxable year under Arizona law.

Line 18 - Agricultural Water Conservation Expenses Related to the Tax Credit claimed on Arizona Form 312

If you claiming a credit on Arizona Form 312 on Form 301-SBI, enter the amount expenses related to the tax credit claimed. See Credit Form 312 for more information.

Line 19 - Addition to S Corporation Income Due to Claiming Pass-Through Credit on Form 312

Shareholders of an S Corporation who claim a credit passed through from an S corporation on Form 301-SBI must make an addition to income for the amount of expenses disallowed by reason of claiming the credit. An S Corporation that passes the credit through to its shareholders must notify each shareholder of their *pro rata* share of the adjustment. You must include an amount on this line when claiming the Agricultural Water Conservation System Credit (Form 312). See Credit Form 312 for more information.

Line 20 - Depreciation or Amortization Related to the Tax Credits Claimed on Arizona Forms 315 and 325

If you claimed these tax credits, you must adjust your depreciation or amortization computed under the internal revenue code with respect to property for which a credit was taken under either section 43-1081.01 (Form 325) or for pollution control equipment for which a credit was taken on *before taxable year 2022* (Form 315) that exceeds the amount of depreciation or amortization computed pursuant to the internal revenue code on the Arizona adjusted basis of the property.

Line 21 - Basis Adjustment for Property Claimed as a Credit on Form 338 that is Sold or Disposed of During the Tax Year

If you claim this credit for an investment in a qualified small business, you must adjust your basis in the investment by the amount of the credit claimed. You must report this difference in basis on the Arizona return that you file for the taxable year in which you sell or otherwise dispose of the investment. If you sold or otherwise disposed of the investment during the taxable year, include the amount by which the adjusted basis computed under the IRC with respect to that property exceeds the adjusted basis of the property computed under A.R.S. § 43-1074.02.

Line 22 - Basis Adjustment for Property Claimed as a Credit on Forms 315 and 325 that is Sold or Disposed of During the Tax Year

You must make an adjustment for the amount by which the adjusted basis computed under the internal revenue code with respect to property for which a credit was claimed under section 43-1081 (Form 315) or 43-1081.01 (Form 325) for which a credit was taken *before taxable year 2022* and that is sold or otherwise disposed of during the taxable year exceeds the adjusted basis of the property computed under section 43-1081 (Credit 315) or 43-1081.01 (Credit 325).

Line 23 - Adjustment for Net Operating Loss due to Claim of Right

You must add-back the adjustment for any net operating loss previously claimed that is related to the amount of your claim of right reported.

Line 24 – Americans with Disabilities Act – Access Expenditures

If a subtraction is taken on line 50, for the full amount of eligible business access expenditures paid or incurred during the taxable year to comply with the Americans with Disabilities Act of 1990 or A.R.S Title 41, chapter 9, article 8; you must make an addition to Arizona gross income for any amount that is included in the computation of federal adjusted gross income for the current year, plus any federally amortized amounts.

Line 25 - Entity-Level Income Tax Payment

If you are claiming the income tax credit on Form 355, *Credit for Entity-Level Income Tax Paid on Your Behalf from a Partnership and/or an S Corporation*, you must add the amount deducted by the partnership and/or S Corporation for the amount of Arizona income tax paid on your behalf in 2025.

Enter the total amount of tax paid shown on:

- Arizona Form 165, Schedule K-1, Part 7, lines 12-15.
- Arizona Form 120S, Schedule K-1, Part 5, lines 9-12.

NOTE: Enter the tax amount actually paid by the Partnership or S Corporation in 2025. Tax amounts paid in 2026 for tax year 2025 will be added-back on your 2025 tax return. These payments include any 4th QTR estimated taxes paid in January 2026 and any 2025 tax payments made with the Entity's tax return on your behalf.

Line 26 - Sole Proprietorship loss of an AZ Nonprofit Medical Marijuana Dispensary included in Schedule C.

If you are registered as an Arizona sole proprietorship with the Arizona Department of Health Services to operate in this state as a nonprofit medical marijuana dispensary, you are required to add the amount of the loss from the dispensary that is included in the computation of your federal adjusted gross income. Include the amount of the loss.

NOTE: If the Arizona nonprofit medical marijuana dispensary is registered with the Arizona Department of Health Services as anything other than a sole proprietorship, this addition does not apply.

Line 27 – Credit for Motion Picture Production Costs (Form 334)

If you are claiming a credit on Form 334, *Credit for Motion Picture Production Costs*, you must make an adjustment (addition) to your Arizona gross income for the amount of any motion picture production costs that was deducted pursuant to the Internal Revenue Code (IRC) for which a tax credit is claimed on Form 334.

If you received a pass-through credit from a partnership, LLC or S Corporation, you must also add-back your pro-rated expenses shown on your Form 334-P, Line 4b and/or Form 334-S, line 4b, provided by the pass-through entity.

Line 28 - Subtotal

Add lines 10 through 27. Enter the total

Subtractions from Income

Lines 29 through 32

NOTE: For lines 29-32; *only include capital gains or (losses) on these lines if the capital gain or (loss) was included in line 6.*

NOTE: If you enter an amount on line 29, you must complete lines 30 and 31. If you are taking a subtraction on line 33 for any net long-term capital gain from assets acquired after December 31, 2011, you must also complete line 32. If you do not complete lines 29 through 32, you cannot take the subtraction on line 33.

You may subtract 25% (.25) of any net long-term capital gain included in your federal Schedule D from small business income and included in line 6 that is derived from an investment in an asset acquired after December 31, 2011.

Complete the *Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired after December 31, 2011*, at the end of these instructions to determine the allowable subtraction. Keep the worksheet for your records.

NOTE: If you do not have any net capital gain or (loss) to report, enter zero, "0" on lines 29-32.

Line 29 - Total Net Capital Gain or (Loss)

Enter the amount included in line 6.

Line 30 - Total Net Short-Term Capital Gain or (Loss)

Enter the total amount of net short-term capital gain or (loss) included in line 6

NOTE: If you are not required to report dividend distributions and/or short-term capital gains from mutual funds on federal Form Schedule D, do not include the short-term capital gain distributed by the mutual fund on line 30.

Line 31 - Total Net Long-Term Capital Gain or (Loss)

Enter the total amount of net long-term capital gain or (loss) reported included in line 6.

If your net long-term capital gain (loss) is limited to an amount reported on Form 1099-DIV and you were not required to complete federal Schedule D, enter the amount shown on Form 1099-DIV on line 31.

Line 32 - Net Long-Term Capital Gain from Assets Acquired After December 31, 2011

NOTE: Only include net long-term capital gains on this line if it can be verified that the small business income asset was acquired after December 31, 2011. If the date of acquisition cannot be determined, the asset is considered to have been acquired before January 1, 2012. For purposes of this line, an asset acquired by gift or inheritance is considered acquired on the date it was acquired by the gift-giver or the deceased individual.

If you completed the worksheet at the end of these instructions, enter the amount from line 5 of the worksheet.

If you did not complete the worksheet and you have no net long-term capital gain from assets acquired after December 31, 2011, enter zero, "0".

Line 33 - Net Long-Term Capital Gain Subtraction From Income for Assets Acquired After December 31, 2011.

Multiply the amount on line 32 by 25% and enter the result.

CAUTION: If you take a subtraction for the net capital gain derived from investment in a qualified business (line 35) or the net capital gain from the exchange of one kind of legal tender for another kind of legal tender (line 36), that includes any long-term capital gain from an investment made **after** December 31, 2011, you **cannot include** that portion in your computation of the allowable subtraction on line 33 for any net long-term capital gain from assets acquired after December 31, 2011, and included in line 6. For more information, see the worksheet at the end of these instructions.

NOTE: 1099-DIV: If Form 1099-DIV did not include the acquisition date of each asset sold within the fund, you cannot verify that the long-term capital gain was from an asset acquired by the Fund was after December 31, 2011, for the purpose of the allowable subtraction on line 33. In this case, you may want to contact the Fund Administrator and request to obtain the acquisition date of each asset sold within the fund. If the Administrator does not provide you with the specific date(s), then those assets cannot be included on line 32.

1099-B: Form 1099-B generally includes your purchase date of the fund including acquisition dates of assets included in your portion of the fund when reporting short-term or long-term capital gains or (losses). In this case, you would know the specific date the asset was acquired and those assets may be included on line 32.

Line 34 – Fiduciary Adjustment (Negative) from Arizona Form 141AZ K-1

A fiduciary uses Form 141AZ Schedule K-1 to report to you your share of the fiduciary adjustment from the trust or estate.

Line 3 of Form 141AZ Schedule K-1 shows your share of the fiduciary adjustment from the estate or trust. If the amount reported on line 3 of your Arizona Form 141AZ Schedule K-1 is a negative number, enter the amount on line 34.

NOTE: If the amount reported on line 3 of your Arizona Form 141AZ Schedule K-1 is a positive number, enter that amount on line 11.

Line 35 - Net Capital Gain from Investment in an Arizona Qualified Small Business

To take the subtraction for a net capital gain from investment in an Arizona qualified small business, you must net all gains and (losses) from investments in Arizona qualified small businesses including amounts shown on Forms 165 Schedule K-1 120S Schedule K-1, and/or 141AZ, Schedule K-1.

You may subtract the amount of any **net** capital gain included in federal adjusted gross income (Schedule D) for the taxable year derived from investment in a qualified small business as determined by the Arizona Commerce Authority (ACA) pursuant to A.R.S. § 41-1518.

To qualify for this subtraction, your investment in the qualified small business must have been made *after* the ACA certified the company as a qualified small business and *before* the company's certification expiration date. An investment made prior to certification or after the expiration of certification does not qualify for this subtraction. See the ACA's website, *Small Business Incentives: Angel Investment*, for a list of certified businesses and their certification dates.

On line 35, enter the amount of the allowable subtraction.

Line 36 - Net Capital Gain from the Exchange of One Kind of Legal Tender for Another Kind of Legal Tender

To take this subtraction you must net **all** gains and (losses) from all exchanges of kind of legal tender for another kind of legal tender including amounts shown on Forms 165 Schedule K-1, 120S Schedule K-1, and/or 141AZ, Schedule K-1.

Enter the amount of any **net** capital gain included in line 6 for the taxable year that is derived from the exchange of one kind of legal tender for another kind of legal tender.

NOTE: If the amount from all sources results in a **net capital (loss)** from the exchange of one kind of tender for another kind of tender, enter that amount on line 15.

For the purposes of this subtraction:

"Legal tender" means a medium of exchange, including specie that is authorized by the United States Constitution or Congress for the payment of debts, public charges, taxes and dues.

"Specie" means coins having precious metal content.

Line 37 - Recalculated Arizona Depreciation

NOTE: For more information and examples of how to calculate Arizona bonus depreciation, see the department's procedure, ITP 16-2, Procedure for Individuals who Claim Federal and/or Arizona Bonus Depreciation.

For assets placed in service in taxable years beginning before December 31, 2012, enter the total amount of depreciation allowable pursuant to IRC § 167(a) for the taxable

year, calculated as if you had elected not to claim bonus depreciation for eligible properties for federal purposes.

For assets placed in service during taxable years beginning from and after December 31, 2012 through December 31, 2013, the amount of the subtraction for these assets depends on the method used to compute the depreciation for these assets.

For assets placed in service in taxable years beginning from and after December 31, 2013 through December 31, 2015, enter the total amount of depreciation allowable pursuant to IRC § 167(a) for the taxable year, calculated as if the bonus depreciation is 10% (.10) of the amount of federal bonus depreciation pursuant to IRC § 168(k).

For assets placed in service in taxable years beginning from and after December 31, 2015 through December 31, 2016, enter the total amount of depreciation allowable pursuant to IRC § 167(a) for the taxable year, calculated as if the bonus depreciation is 55% (.55) of the amount of federal bonus depreciation pursuant to IRC § 168(k).

For assets placed in service in taxable years beginning from and after December 31, 2016, enter the total amount of depreciation allowable pursuant to IRC § 167(a) for the taxable year, calculated as if the bonus depreciation had been the full amount allowed federally pursuant to IRC § 168(k).

Add all of the amounts together and enter the total on line 37.

Line 38 – Partnership Income Adjustment

Use this adjustment if you received an Arizona Form 165 Schedule K-1, line 3 that shows a difference between federal and state distributable income.

If the difference reported on line 3 of your Arizona Form 165 Schedule K-1 is a negative number, enter that difference on line 38. **Do not include a minus sign or use parentheses.**

NOTE: *If the difference reported on line 3, of your Arizona Form 165 Schedule K-1, is a positive number, enter that amount on line 13.*

Line 39 - Interest on U.S. Obligations

Enter the amount of interest income from U.S. Government obligations included as income on your federal return. U.S. Government obligations include obligations such as savings bonds and treasury bills. You cannot deduct any interest or other related expenses incurred to purchase or carry the obligations. If such expenses are included in your Arizona gross income, you must reduce the subtraction by such expenses.

If you are itemizing deductions on your Arizona return, you must exclude such expenses from the amount deducted.

NOTE: *Do not subtract interest earned on Fannie Mae (FNMA) or Ginnie Mae (GNMA) bonds since this interest is taxable by Arizona. For details, see the department's ruling, ITR 06-1, Obligations of the United States Government, Federal Agencies, and United States Territories.*

Do not subtract any amount received from a qualified pension plan that invests in U.S. Government obligations. Do not subtract

any amount received from an IRA that invests in U.S. Government obligations. These amounts are not interest income. For details, see the department's rulings, ITR 96-2, *Pension Plan Distributions Derived from Investment in U.S. Government Obligations*; and ITR 96-3, *Distributions Comprised of Income Earned by the IRA*.

Line 40 - Net Operating Loss Adjustment For Losses incurred in 2008 or 2009

Arizona did not adopt the special federal net operating loss rules for losses incurred during 2008 or 2009. For Arizona purposes, you must deduct a net operating loss as if the loss was computed under IRC § 172 in effect prior to the enactment of those special rules. If you made an election to deduct your 2008 or 2009 federal net operating loss under IRC § 172(b)(1)(H), you may have to enter an amount here. Figure how much of the net operating loss carry forward would have been allowed as a deduction on your 2025 federal income tax return, if the election described in IRC § 172(b)(1)(H) had not been made in the year of the loss. Enter the amount that exceeds the actual net operating loss carry forward that was deducted in arriving at federal adjusted gross income.

NOTE: *This subtraction applies to only those individuals who made an election under the special federal net operating loss rules for 2008 and 2009. Under the special rules for 2008 and 2009, you could have elected to carry the net operating loss back for 3, 4 or 5 years, instead of the normal 2 years. This election would have been allowed under IRC § 172(b)(1)(H) as amended by the American Recovery and Reinvestment Act of 2009 or the Worker, Homeownership, and Business Assistance Act of 2009.*

Line 41 - Agricultural Crops Given to Arizona Charitable Organizations

Arizona law allows a subtraction for qualified crop gifts made during 2025 to one or more charitable organizations. To take this subtraction, **all** of the following must apply:

- You must be engaged in the business of farming or processing agricultural crops.
- The crop must be grown in Arizona.
- You made your gift to a charitable organization located in Arizona that is exempt from Arizona income tax.

The subtraction is the larger of the wholesale market price or the most recent sale price for the contributed crop. The amount of the subtraction cannot include any amount deducted pursuant to IRC § 170 with respect to crop contribution that exceeds the cost of producing the contributed crop.

To determine if your crop gift qualifies for this subtraction, see the department's procedure, ITP 12-1, *Establishing an Income Tax Subtraction for Agricultural Crops Contributed to Charitable Organizations*.

Line 42 – Installment Sale Income from Another State Taxed by the Other State in a Prior Year

You may subtract income from an installment sale if **both** of the following apply:

- The income from the sale is included in Arizona Small Business Gross Income (line 10) in 2025.

- You paid income tax to another state on that income in a **prior** tax year.

Include the amount of such income that you included in your Arizona Small Business gross income for 2025.

Do not include any amount that is subject to tax by both Arizona and another state in 2025. In this case, you may be eligible for a tax credit. See Arizona Form 309-SBI for details.

Line 43 – Basis Adjustment for Property Sold or Otherwise Disposed on During the Tax Year

For small business property that is sold or otherwise disposed of during the taxable year by a taxpayer who has complied with the requirement to add back all depreciation for that property on tax returns for all taxable years beginning from and after December 31, 1999, include the amount of depreciation that has been allowed pursuant to IRC § 167(a) to the extent that the amount has not already reduced Arizona taxable income in the current or prior years. (Note: The practical effect of this is to allow a subtraction for the difference in basis for any asset for which bonus depreciation has been claimed on the federal return.)

Line 44 – Claim of Right Adjustment for Amounts Repaid in Prior Years

You may subtract the income required to be paid back under the claim of right that is included in lines 4 through 9 if the income were reported in 2025.

Line 45 - Sole Proprietorship Income of an Arizona Nonprofit Medical Marijuana Dispensary Included in Federal Adjusted Gross Income

NOTE: *If the Arizona nonprofit medical marijuana dispensary is registered with the Arizona Department of Health Services as anything other than a sole proprietorship, this subtraction does not apply.*

If you are registered as an Arizona sole proprietorship with the Arizona Department of Health Services to operate in this state as a nonprofit medical marijuana dispensary, you may subtract the amount of the income from the dispensary that is included in the computation of your federal adjusted gross income.

In addition, a sole proprietorship of an **Arizona dual licensee that has not elected to operate on a for-profit basis** may subtract the portion of income included in federal adjusted gross income that is from the medical marijuana portion of the business.

NOTE: *A dual licensee that elects to operate on a for-profit basis does not qualify for a subtraction for the medical marijuana portion of their business.*

Line 46 - Sole Proprietorship – Marijuana Establishment, Testing Facilities and Dual Licensees that Elected to Operate on a for-profit Basis

A sole proprietorship that takes the allowable subtraction for the income of an Arizona Nonprofit Medical Marijuana Dispensary (NMMD) under item “L”, cannot take this allowable subtraction.

A Sole Proprietorship or disregarded LLC that operates a marijuana establishment, marijuana testing facility, or dual licensee that elects to operate on a for-profit basis, enter the

total amount of ordinary and necessary expenses reported on **Arizona Schedule DFE, Disallowed Federal Expense Schedule for Marijuana Establishments, line 16. Include this schedule with your tax return, when filed.**

Do not include Cost of Goods Sold or any other expenses already allowed to be deducted on your federal return in the total amount of expenses reported on this line.

NOTE: Sole Proprietors and disregarded LLCs must contact the Arizona Department of Health Services (ADHS) to make the election to operate on a for-profit basis.

Line 47 - S Corporation Shareholders – Marijuana Establishment, Testing Facilities and Dual Licensees that Elected to Operate on a For-profit Basis

Enter the amount of your pro-rata share of ordinary and necessary expenses related to the sales of recreational use products as shown on your Form 120S Schedule K-1, line 7.

Line 48 – Amount of Wages or Salaries Paid or Incurred During the Tax Year and Used to Claim Certain Federal Tax Credits

You may subtract some expenses that you cannot deduct on your federal return when you claim certain federal tax credits. These federal tax credits include the following:

- the Federal Work Opportunity Credit;
- the Empowerment Zone Employment Credit;
- the credit for employer-paid social security taxes on employee cash tips; and
- the Indian Employment Credit.

If you received any of the above federal tax credits for 2025, include the portion of wages or salaries you paid or incurred during the taxable year equal to the amount of those federal tax credits you received.

Line 49 - Exploration Expenses Deferred before January 1, 1990

Call one of the numbers on page 1 of these instructions if you deferred exploration expenses determined under IRC § 617 in a taxable year ending before January 1, 1990, and you have not previously taken a subtraction for those expenses.

Line 50 – Americans with Disabilities Act – Access Expenditures

A subtraction is allowed for eligible business access expenditures paid or incurred during the taxable year to comply with the requirements of the Americans with Disabilities Act of 1990 or A.R.S. Title 41, chapter 9, article 8 by retrofitting developed real property that was originally placed in service at least ten years before the current taxable year. (A.R.S. §§ 43-1022 and 43-1024)

“*Eligible business access expenditures*” include reasonable and necessary amounts paid or incurred to do any of the following:

- Remove any barriers that prevent a business from being accessible to or usable by individuals with disabilities.
- Provide qualified interpreters or other methods of making audio materials available to hearing-impaired individuals.

- Provide qualified readers, taped texts, and other effective methods of making visually delivered materials available to individuals with visual impairments.
- Acquire or modify equipment or devices for individuals with disabilities.
- Provide other similar services, modifications, materials, or equipment.

NOTE: *A taxpayer who has been cited for noncompliance with the Americans with Disabilities Act of 1990 or A.R.S. Title 41, chapter 9, article 8 by either federal or state enforcement officials is ineligible for a subtraction under this section for any expenditure required to cure the cited violation.*

Line 51 – Virtual Currency and Non-Fungible Tokens

To the extent not already excluded from Arizona gross income under the internal revenue code, the value of virtual currency and non-fungible tokens the taxpayer received pursuant to an airdrop at the time of the airdrop. This paragraph may not be interpreted as providing a subtraction for any appreciation in value that occurs from holding the virtual currency after the initial receipt of the airdrop.

For the purpose of this subtraction, A.R.S. § 43-1028 defines the following:

- **Airdrop** as the receipt of virtual currency through a means of distribution of virtual currency to the distributed ledger addresses of multiple taxpayers.
- **Non-fungible tokens (NFT)** as a non-fungible cryptographic asset on a blockchain that possesses unique identifiers or other metadata that distinguishes the asset from another token or asset in a manner that makes the asset irreplaceable and non-exchangeable for a similar token or asset.
- **Virtual currency** as a digital representation of value that functions as a medium of exchange, a unit of account and a store of value other than a representation of the U.S. dollar or a foreign currency.
- **Foreign currency** as the coin and paper money of a country other than the United States that is designated as legal tender, circulates and is customarily used and accepted as a medium of exchange in the country of issuance.

Line 52 - Gas Fees or Non-Fungible Token Basis

The amount allowed as a subtraction by section 43-1028 for gas fees not already included in the taxpayer's virtual currency or non-fungible token basis.

For the purpose of this subtraction, A.R.S. § 43-1028 defines the following:

- **Gas Fees** as a fee paid to the operator of a virtual network for the use of the network to facilitate the purchase, sale or exchange of virtual currency or an NFT.

Line 53 - Arizona Small Business Taxable Income

Subtract lines 33 through 52 from line 28. If less than zero, enter "0".

Line 54 - Small Business Income Tax

Multiply line 53 by 2.5% (.025) and enter the result.

Line 55 - Tax from Recapture of Credits from Arizona Form 301-SBI

Enter the amount of tax due from recapture of the credits from Arizona Form 301-SBI, Part 2, line 24.

Line 56 – Subtotal of Tax

Add lines 54 and 55. Enter the total.

Line 57 - Nonrefundable Credits from Arizona Form 301-SBI

Complete line 57 if you claim any of the following credits. Also make sure that you complete and include Form 301-SBI and the appropriate credit form or forms with your return.

Credit for Increased Research Activities - Individuals

You may qualify for this credit if you incurred qualified research expenses for research conducted in Arizona. Use Form 308-I to figure this credit. Be sure to include **only** the nonrefundable portion on Form 140-SBI, line 57.

Credit for Taxes Paid to Another State or Country

You may qualify for this credit if you paid tax to Arizona and another state or country on the same income. Use Form 309-SBI to figure your credit.

Agricultural Water Conservation System Credit

You may qualify for this credit if you incurred expenses to purchase and install an agricultural water conservation system in Arizona. Use Form 312 to figure this credit.

Pollution Control Credit This credit was repealed for individual taxpayers for tax years beginning from and after December 31, 2021. All credits that were properly established can be carried forward for the respective five year carry forward period. Use Form 315 to figure this credit.

Agricultural Pollution Control Equipment Credit

You may qualify for this credit if you are involved in commercial agriculture and incurred expenses to purchase tangible personal property that is primarily used in your trade or business to control or prevent pollution. Use Form 325 to figure this credit.

Credit for Donation of School Site

You may qualify for this credit if you donated real property and improvements to a school district or a charter school for use as a school or as a site for the construction of a school. Use Form 331 to figure this credit.

Credit for Employing National Guard Members

You may qualify for this credit if you are an employer who has an employee that is a member of the Arizona National Guard if the employee is placed on active duty. Use Form 333 to figure this credit.

Credit for Business Contributions by an S Corporation to School Tuition Organizations - Individual

S corporations that make qualifying contributions of \$5,000 or more may pass-through the credit to its individual shareholders on a *pro rata* basis. See Form 335-I for more information.

Credit for Investment in Qualified Small Businesses

You may qualify for this credit if you made an investment in a qualified small business. Use Form 338 to figure this credit.

Credit for Business Contributions by an S Corporation to School Tuition Organizations for Displaced Students or Students with Disabilities – Individual

S corporations that make qualifying contributions of \$5,000 or more may pass-through the credit to its individual shareholders on a *pro rata* basis. See Form 341-I for more information.

Renewable Energy Production Tax Credit You may qualify for this credit if you produced electricity using a qualified energy resource. Use Form 343 to figure this credit.

Credit for New Employment You may qualify for this credit if your business had a net increase in qualified employment positions. Use Form 345 to figure this credit.

Additional Credit for Increased Research Activities for Basic Research Payments

You may qualify for this credit for qualified basic research payments for research conducted in Arizona. Approval by the Department of Revenue is required prior to claiming this credit. Use Form 346 to figure this credit.

Healthy Forest Production Tax Credit You may qualify for this tax credit if you meet all of the qualifications or receive a pass-through credit from a partnership or S Corporation. All credits that were properly established can be carried forward for the respective five year carry forward period. Use Form 353 to figure this credit.

Affordable Housing Tax Credit You may qualify for this tax credit if you meet all of the qualifications or receive a pass-through credit from a partnership or S Corporation. All credits that were properly established can be carried forward for the respective five year carry forward period. Use Form 354 to figure this credit.

Credit for Entity-Level Income Tax You may qualify for this tax credit if you meet all of the qualifications or receive a pass-through credit from a partnership or S Corporation. All credits that were properly established can be carried forward for the respective five year carry forward period. Use Form 355 to figure this credit.

Compute your credit(s) on the appropriate form(s). Complete Arizona Form 301-SBI and enter the amount from Form 301-SBI, Part 2, line 44, on Form 140-SBI, line 57. The total amount of credits on line 57 cannot reduce your tax below zero. These credits are nonrefundable credits.

Include Form 301-SBI and completed tax credit forms, along with any supporting documents, with your return.

Line 58 - Balance of Tax

Subtract line 57 from line 56. If line 57 is greater than line 56, enter "0".

Line 59 – (Boxes 59a and 59b and Line 59c) 2025 Estimated Tax Payments and Claim of Right

Box 59a: Enter the amount of 2025 small business income estimated tax payments made for tax year 2025.

Box 59b: If you completed an *Arizona Claim of Right-Individual* tax form, enter the amount from line 8.

If you completed more than one claim of right form for the current taxable year, add all amounts on line 8 and enter the total in box 59b.

NOTE: For more information on Arizona's claim of right provisions, see the department's procedure, ITP 16-1, Procedure for Individuals Who Restore Substantial Amounts Held Under a Claim of Right.

Line 59c: Add boxes 59a and 59b. Enter the total on line 59c.

Line 60 - 2025 Arizona Extension Payment (Form 204-SBI)

Use this line to report the payment you sent with your 2025 small business income extension payment (Arizona Form 204-SBI) or the electronic extension payment you made using www.AZTaxes.gov.

Line 61 – Refundable Credits

- Enter the total amount of refundable credits you are claiming from any of the following: Credit for Increased Research Activities - Individuals (Form 308-I)
- Credit for Motion Picture Production Costs (Form 334)
- Credit for Qualified Facilities (Form 349)

If you enter an amount on this line, be sure you check the box or boxes to show which credit(s) you are claiming. Also, be sure to include the credit form(s) with your return.

Credit for Increased Research Activities - Individuals (Arizona Form 308-I)

A portion of this credit may be refundable. You may qualify for the refundable increased research activities credit if you incurred qualified research expenses for research conducted in Arizona. For more information about this credit, and to see whether you may claim a refund of this credit, see Arizona Form 308-I.

You must include a copy of your "Certificate of Qualification" from the Arizona Commerce Authority (ACA), Form 301, and Form 308-I with your return to claim this credit.

If you are claiming a refund of the increased research activities credit from Form 308-I, enter the amount from Form 308-I, Part 7, line 38.

Credit for Motion Picture Production Costs (Arizona Form 334)

You may qualify for the refundable credit for the motion picture production costs if the credit exceeds your taxable income.

Pre-approval and post-approval are required through the ACA to qualify for this credit. For more information about this credit and to determine whether you may claim a refund of this credit, see Arizona Form 334.

If you are claiming a refund from Form 334, enter the amount from Form 334, Part 1, line 6.

Credit for Qualified Facilities (Arizona Form 349)

You may qualify for the refundable qualified facilities credit if you expanded or located a qualified facility in Arizona. This credit is refundable in five equal installments. Pre-approval and post-approval are required through the ACA. For more information, see Arizona Form 349.

You must include a copy of your "Certificate of Qualification" from the ACA and Form 349 with your tax return to claim this credit. If you are claiming a refund of the qualified facilities credit from Form 349, enter the amount from Form 349, Part 8, line 20.

If you are claiming more than one of the refundable tax credits, check the appropriate boxes and add the amounts from the credit forms together and enter the total on line 61. You may use the table to figure the amount to enter on line 61.

2025 - Refundable Credit Worksheet	
1. Enter the refundable credit from Form 308-I, Part 7, line 38.	
2. Enter the refundable credit from Form 334, Part 1, line 6.	
3. Enter the refundable credit from Form 349, Part 8, line 20.	
4. Add the amounts on lines 1, 2 and 3. Enter the total here and on line 61.	

Line 62 - Total Payments and Refundable Credits

Add lines 59c, 60 and 61. Enter the total.

Figuring Your Tax Due or Overpayment

Line 63 - Tax Due

If line 58 is larger than line 62, subtract line 62 from line 58 and enter the amount of tax due. Skip lines 64, 65 and 66.

Line 64 - Overpayment

If line 62 is larger than line 58, subtract line 58 from line 62 and enter the difference. Complete lines 65 and 66.

Line 65 - Amount of Line 64 to be Applied to 2026 Estimated Tax

If you want all or part of your overpayment applied to next year's estimated taxes, enter that amount on line 65.

NOTE: *If you apply any of the amount shown on line 64 to 2026, you cannot use that amount to pay any tax that is later found to be due for 2025. You also may not claim a refund for that amount until you file your 2026 return.*

Line 66 - Balance of Overpayment

Subtract line 65 from line 64 to determine your overpayment balance.

Line 67 - Estimated Payment Penalty

NOTE: *Do not complete Arizona Form 221-SBI, Underpayment of Estimated Tax for Small Business Income, if the amount on Form 140-SBI, line 62 is more than the amount on Form 140-SBI, line 58.*

You must have made Arizona Small Business Income estimated tax payments during 2025 if:		
Your filing status is:	AND Your Arizona Small Business gross income for 2024 is greater than:	AND Your Arizona Small Business gross income for 2025 is greater than:
Married filing joint	\$150,000	\$150,000
Single	\$75,000	\$75,000
Head of Household	\$75,000	\$75,000
Married filing separate	\$75,000	\$75,000

An individual who fails to make the required estimated payments is subject to penalty on any estimated tax payment that is late or underpaid.

Complete and include form 221-SBI to determine if any penalty is due. Enter the total penalty from Form 221-SBI.

If you report as a farmer or fisherman for federal purposes, you were not required to make estimated payments during 2025 if the following apply:

- You are a calendar year filer.* You file your Arizona return by March 3, 2026. You pay in full the amount stated on your return as owed.
- You are a fiscal year filer.* You file your Arizona return by the first day of the third month after the end of your fiscal year. You pay in full the amount stated on your return as owed.

If the above applies, check Box 682 on line 68 and do not complete Form 221-SBI.

Line 68 (Boxes 681, 682 and 683)

Box 681: check if any of the following applies to you:

- You checked the box on line 1 of Form 221-SBI.
- You completed the annualized income worksheet on Form 221-SBI.
- You elected to be treated as a nonresident alien on your federal income tax return. You made three estimated payment installments. Your first installment equaled 50% of the total of all of your required installments.

Box 682: check if you are an individual who for federal purposes reports as a farmer or fisherman.

Box 683: check if you completed and are including Form 221-SBI.

Figuring Your Refund or Amount Owed

Line 69 - Refund

Subtract line 67 from line 66. Enter your refund on line 69. If less than zero "0" enter amount owed on line 70.

If you owe money to any Arizona state agency, court, county, incorporated city or town, and certain federal agencies, your refund may go to pay some of that debt. If so, the department will let you know by letter.

Tax Tip: If you change your address before you get your refund, let the department know. Complete Form 822. This form is available at: azdor.gov/forms. Select "Forms" on the home page and click on "See All Forms" then type 822 in the Search box.

Direct Deposit of Refund

Complete the direct deposit line if you want us to directly deposit the amount shown on line 69 into your account at a bank or other financial institution (such as a mutual fund, brokerage firm, or credit union) instead of sending you a check.

NOTE: Check the box on line 69A if the direct deposit will ultimately be placed in a foreign account. If you check box 69A, do not enter your routing or account numbers. If this box is checked, we will not direct deposit your refund. We will mail you a check instead.

Why use Direct Deposit?

- You will get your refund fast - even faster if you e-file!
- Payment is more secure - there is no check to get lost.
- It is more convenient - no trip to the bank to deposit your check.
- It saves tax dollars. A refund by direct deposit costs less to process than a check.

NOTE: We are not responsible for a lost refund if you enter the wrong account information. Check with your financial institution to get the correct routing and account numbers and to make sure your direct deposit will be accepted.

Routing Number MAKE SURE YOU ENTER THE CORRECT ROUTING NUMBER

The routing number must be nine digits. The first 2 digits must be 01 through 12 or 21 through 32. Otherwise, the direct deposit will be rejected and a check will be mailed instead. On the sample check, the routing number is 250250025.

Sample Check

JOHN DOE OR JANE DOE
123 First Street
Sometown, AZ 00000

PAY TO THE ORDER OF \$ 1234.10

THIS BANK Sometown, AZ 00000

For 250250025 2020201186 1234

Routing Number **Account Number**

Do not include the check number.

Note: The routing and account numbers may be in different places on your check.

Your check may state that it is payable through a financial institution different from the one at which you have your checking account. If so, **do not** use the routing number on that check. Instead, contact your financial institution for the correct routing number to enter.

Account Number

MAKE SURE YOU ENTER THE CORRECT ACCOUNT NUMBER.

The account number can be up to 17 characters (both numbers and letters). DO NOT include hyphens, spaces, or special symbols. Enter the number from left to right and leave any unused boxes blank. On the sample check the account number is 20202086. Be sure **not** to include the check number. If the direct deposit is rejected, a check will be mailed instead.

Line 70 - Amount Owed

Add lines 63 and 67. Enter the amount you owe on line 70. You may pay the amount owed only with a check or money order, electronic check, direct debit through your software vendor or credit card.

Check or money order

NOTE: Include your check or money order with your return. Please do not send cash.

Make your check payable to Arizona Department of Revenue. Write your SSN, Form 140-SBI and tax year on the front of your check or money order. The department cannot accept checks or money orders in foreign currency. You must make payment in U.S. dollars. It may take 2-3 weeks for your payment to process.

The Department of Revenue may charge you \$50 for a check returned unpaid by your financial institution.

Electronic payment from your checking or savings account

You can make an electronic payment from your checking or savings account to pay your balance due for 2025. There is no fee to use this method. To make an electronic payment, go to www.AZTaxes.gov and click on the "Make a Payment" link.

Be sure to enter the correct routing number and account number for your checking or savings account. You will be charged a \$50 non-sufficient funds (NSF) fee if you provide an incorrect routing number or an incorrect account number. Check with your financial institution to get the correct account and routing numbers.

The "E-Check" option in the "Payment Method" drop-down box will debit the amount from the checking or savings account that you specify. If you make an electronic payment from your checking or savings account, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

NOTE: You may not make an electronic payment from your checking or savings account if the payment will ultimately be coming from a foreign account. In this case, you must pay by check or money order.

Credit card payment

You can pay with your American Express, Discover, Visa, or MasterCard. Go to www.AZTaxes.gov and click on the "Make a Payment" link, and choose the credit card option. This will take you to a third-party vendor site (provider). The provider **will charge** you a convenience fee based on the amount of your tax payment. The provider will tell you what the fee is during the transaction; you will have the option to continue or cancel the transaction. If you complete the credit card transaction, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

Installment payments

If you cannot pay the full amount shown on line 70 when you file, you may request to make monthly installment payments. All payment arrangements for individual income tax can be made online at www.AZTaxes.gov, please select the "Request A Payment Plan" option under the Individual Income section." If you cannot pay the full amount shown on line 70, you will be charged interest and may be charged a late payment penalty on the tax not paid by April 15, 2026. To limit the interest and penalty charges pay as much of the tax as possible when you file your return.

Sign Your Return

You must sign your return. If married filing a joint return, both you and your spouse must sign even if only one had income. Form 140-SBI is not considered a valid return unless you sign it. The department cannot mail a refund check without proper signatures on the return.

If a paid preparer completes the return for you, the paid preparer must also sign the return and provide the paid preparer information listed in the Signature box on page of the return. A paid preparer who fails to include the proper identification number may also be subject to a penalty.

Mailing Your Return

NOTE: DO NOT MAIL THIS RETURN SEPARATELY. If you are mailing your return to the department, you must include Form 140-SBI with your Form 140, when filed. See the mailing instructions for Form 140 for assembly order (form sequence) information.

Instructions Before Mailing

- **Do not staple your return. Do not staple any documents, schedules, or payment to your return.**
- Make sure your **NAME** and **SSN** are legible on the return.
- Be sure you enter your daytime telephone number in box 94 on page 1 of your tax return.
- Check to make sure that your math is correct. A math error can cause delays in processing your return.
- Make sure you filled in all required boxes.
- If you requested a filing extension, make sure that you check box **82F** (above your name) on page 1 of both the 140-SBI and 140 tax returns.

- Sign your return and have your spouse sign, if filing jointly.
- Write your SSN and tax year on the front of your check or money order. Include your payment with your return.
- Do **not** include correspondence with your return.
- **Include this return with your Arizona Form 140.**

Where Should I Mail my return?

If you **are filing Form 140 and Form 140-SBI**, the department will apply any overpayment from one return to the tax liability shown on the other return.

- After applying the overpayment, if there is a net tax due mail both returns and payment(s) to:
Arizona Department of Revenue
PO Box 52016
Phoenix, AZ 85072-2016
- After applying the overpayment, if there is a net refund mail both returns to:
Arizona Department of Revenue
PO Box 52138
Phoenix, AZ 85072-2138

Make Sure You Put Enough Postage on the Envelope

The U.S. Post Office or United States mail service must postmark your return or extension request by midnight April 15, 2026.

The term "United States mail" includes any private delivery service designated by the United States Secretary of the Treasury pursuant to IRC § 7502(f) and the term "postmark" includes any date recorded or marked by any such designated delivery service.

An income tax return that is mailed to the department is timely filed if it is delivered on or before its due date. Additionally, if the envelope or wrapper containing the return sent through the United States mail bears a postmark of the United States mail and that tax return is delivered to the department after its due date that return will be considered timely filed if **all** of the following apply:

1. The return was deposited in an official depository of the United States mail;
2. The date of the postmark is no later than the due date;
3. The return was properly addressed; and
4. The return had proper postage.

If the envelope or wrapper containing a return sent through the United States mail bears a private meter postmark made by other than the United States mail, the return is treated as timely filed if both of the following apply:

1. The private meter postmark bears a date on or before the due date for filing; and
2. The return is received no later than the time it would ordinarily have been received from the same point of origin by the same class of U.S. postage. If the return is received by the department within five business days of the private meter postmark date, the department will consider the requirement satisfied.

You may also use certain private delivery services designated by the IRS to meet the “timely mailing as timely filed” rule.

For more information, see the department’s ruling, GTR 16-1, *Timely Filing of Income or Withholding Tax Returns Through the United States Mail*.

How long to keep your return

You must keep your records as long as they may be needed for the administration of any provision of Arizona tax law. Generally, this means you must keep records that support items shown on your return until the period of limitations for that return runs out.

The period of limitations is the period of time in which you can amend your return to claim a credit or refund or the department can assess additional tax. A period of limitations is the limited time after which no legal action can be brought. Usually, this is four years from the date the return was due or filed.

In some cases, the limitation period is longer than four years. The period is six years from when you file a return if you under report the income shown on that return by more than 25% (.25). The department can bring an action at any time if a return is false or fraudulent, or if you do not file a return. To find out more about what records you should keep, get federal Publication 552.

Where’s My Refund?

You can check on your refund by visiting www.azdor.gov or www.AZTaxes.gov and clicking on “Where’s my refund?” or you may call one of the numbers listed on page 1 of these instructions. Before you call, be sure to have a copy of your 2025 tax return on hand. You will need to know your SSN, your filing status, and your 5-digit ZIP Code.

Contacting the Department

Your tax information on file with the department is confidential. If you want the department to discuss your tax matters with someone other than yourself, you must authorize the department to release confidential information to that person.

You may use Arizona Form 285 to authorize the department to release confidential information to your appointee. See Form 285 for details.

Worksheet for Net Long-Term Capital Gain Subtraction for Assets Acquired After December 31, 2011

☐ 2025 Original return ☐ 2025 Amended return

IMPORTANT

Only include a subtraction on this return if the net capital gain to which the subtraction relates is included on this return.

- If you cannot determine the acquisition date of an asset, including mutual funds, the long-term capital gain from that asset does not qualify for the allowable subtraction. For the purpose of the allowable subtraction, these assets are considered to have been acquired before January 1, 2012.
- An asset acquired by gift or inheritance is considered acquired on the date it was acquired by gift-giver or the deceased individual.
- If you receive Form(s) 165 Schedule K-1 from a partnership, 120S Schedule K-1 from an S Corporation, or 141AZ Schedule K-1 from an estate or trust, be sure to include those qualifying net long-term capital gain amounts in your computation.

Do not include any short-term capital gains or (losses) in this worksheet.

1.	Enter the total net long-term capital gain or (loss) from assets acquired after December 31, 2011 and included on page 1, line 6 of Form 140-SBI.....		00
2.	Enter the amount of net long-term capital (loss) derived from the exchange of one kind of legal tender for another kind of legal tender from assets acquired after December 31, 2011 and included on Form 140-SBI, line 15.....		00
3.	Enter the amount of net long-term capital gain derived from investment in qualified small business from assets acquired after December 31, 2011 and included in the subtraction on Arizona Form 140-SBI, line 35		00
4.	Enter the amount of net long-term capital gain derived from the exchange of one kind of legal tender for another kind of legal tender from assets acquired after December 31, 2011 from Form 140-SBI, line 36.....		00
5.	(Line 1 + line 2) minus (line 3 + line 4). Enter the difference.....		00

- If the amount on line 5 is positive, you have a net long-term capital gain from assets acquired *after* December 31, 2011. Enter the amount on Form 140-SBI, line 32.
- If the amount on line 5 is zero or negative, you do not qualify to take the allowable subtraction. Enter "0" on Form 140-SBI, line 32.

DO NOT STAPLE ANY ITEMS TO THE RETURN.

Place any required federal and AZ schedules or other documents after Form 140-SBI.

Arizona Form
140-SBI

**Small Business Income Tax Return
for Arizona Full-Year Residents**

FOR CALENDAR YEAR

2025

82F <input type="checkbox"/> Check box 82F if filing under extension		OR FISCAL YEAR BEGINNING <u>MM/DD/2025</u> AND ENDING <u>MM/DD/20YY</u> 66F					
1 Your First Name and Middle Initial		Last Name		Enter your SSN(s).	Your Social Security Number		
1 Spouse's First Name and Middle Initial (if box 95a or 95b checked)		Last Name			Spouse's Social Security No.		
2 Current Home Address - number and street, rural route		Apt. No.			Daytime Phone (with area code) <u>94</u>		
3 City, Town or Post Office		State	ZIP Code	If you are claiming Injured Spouse Protection (Form 203) check 3a <input type="checkbox"/>		95. Filing Status. Must be the same as Form 140, 140NR or 140PY 95a <input type="checkbox"/> Married filing joint return 95c <input type="checkbox"/> Head of Household 95b <input type="checkbox"/> Married filing separate return 95d <input type="checkbox"/> Single	
Small Business Income	4 Federal Schedule B.....	4		00	REVENUE USE ONLY. DO NOT MARK IN THIS AREA.		
	5a Federal Schedule C.....	5a		00			88
	5b Enter your NAICS code shown on Schedule C: _____						
	6 Portion of Federal Schedule D. See instructions for amount.....	6		00			
	7a Federal Schedule E. Enter the amount from each part.....	7a		00			
	7b Rental, Real Estate, Royalties.....00	7e REMICS.....00					
	7c Partnerships/S Corporations.....00	7f Farm Rental.....00					
	7d Estates/Trusts.....00						
	8 Federal Schedule F.....	8		00			
9 Federal Form 4797. Amount not included on line 6. See instructions...	9		00				
10 Total Small Business income: Add lines 4, 5a, 6, 7a, 8 and 9. Enter the total.....	10			00			
11 Fiduciary Adjustment (positive) from Arizona Form 141AZ Schedule K-1.....	11			00			
12 Non-Arizona municipal interest.....	12			00			
13 Partnership Income Adjustment. See instructions.....	13			00			
14 Total federal depreciation.....	14			00			
15 Net capital loss from the exchange of one kind of legal tender for another kind of legal tender.....	15			00			
16 Claim of Right adjustment for amounts repaid in 2025.....	16			00			
17 Claim of Right adjustment for amounts repaid in prior taxable years.....	17			00			
18 Agricultural Water Conservation expenses related to the tax credit claimed on Arizona Form 312.....	18			00			
19 Addition to S Corporation income for expenses due to claiming a pass-through credit on Arizona Form 312.....	19			00			
20 Depreciation or amortization related to tax credits claimed on Arizona Form 315 and 325. See instructions.....	20			00			
21 Basis adjustment for property claimed as a credit on AZ Form 338 that is sold or disposed of during the tax year.....	21			00			
22 Basis adjustment for property claimed as a credit on AZ Forms 315 and 325 that is sold or disposed of during the tax year.....	22			00			
23 Adjustment for Net Operating Loss due to Claim of Right.....	23			00			
24 Americans with Disabilities Act - Access Expenditures.....	24			00			
25 Entity-Level Income Tax payment. See instructions.....	25			00			
26 Sole Proprietorship loss of an AZ Nonprofit Medical Marijuana Dispensary included in Schedule C. See instructions.....	26			00			
27 Motion Picture Production Costs (Form 334). See instructions.....	27			00			
28 Subtotal: Add lines 10 through 27. Enter the total.....	28			00			
29 Total net capital gain or (loss). See instructions.....	29			00			
30 Total net short-term capital gain or (loss). See instructions.....	30			00			
31 Total net long-term capital gain or (loss). See instructions.....	31			00			
32 Net long-term capital gain from assets acquired after December 31, 2011. See instructions.	32			00			
33 Multiply line 32 by 25% (.25) and enter the result. See instructions.....	33			00			
34 Fiduciary Adjustment (negative) from Arizona Form 141AZ K-1.....	34			00			
35 Net capital gain derived from investment in qualified small business.....	35			00			
36 Net capital gain from the exchange of one kind of legal tender for another kind of legal tender.....	36			00			
37 Recalculated Arizona depreciation.....	37			00			
38 Partnership Income adjustment. See instructions.....	38			00			
39 Interest on U.S. obligations such as U.S. savings bonds and treasury bills.....	39			00			
40 Net operating loss adjustment from tax years 2008 and 2009. See instructions.....	40			00			
41 Agricultural Crops given to Arizona Charitable Organizations.....	41			00			
42 Installment sale income from another state taxed by the other state in a prior year.....	42			00			
43 Basis adjustment for property sold or otherwise disposed of during the tax year.....	43			00			
44 Claim of Right Adjustment for amounts repaid in prior years.....	44			00			
45 Sole Proprietorship income of an AZ Nonprofit Medical Marijuana Dispensary included in Schedule C.....	45			00			
46 Sole Proprietorship - AZ Marijuana Establishment, Testing Facilities and for-profit dual licensees - enter the ordinary and necessary business expenses related to the sales of recreational use products from Schedule DFE. See instructions.....	46			00			

Your Name (as shown on page 1)	Your Social Security Number
--------------------------------	-----------------------------

Subtractions continued	47	S Corporation shareholders of an AZ Marijuana Establishment, Testing Facilities and for-profit dual licensees: Enter the amount of your pro-rata share of expenses related to the sales of recreational products from Schedule K-1, line 9.....	47		00		
	48	Amount of wages or salaries paid or incurred during the tax year and used to claim certain federal tax credits.....	48		00		
	49	Exploration expenses deferred before January 1, 1990.....	49		00		
	50	Americans with Disabilities Act - Expenditures.....	50		00		
	51	Virtual Currency and Non-Fungible Tokens. See instructions.....	51		00		
	52	Gas Fees or Non-Fungible Token Basis. See instructions.....	52		00		
	53	Arizona Small Business Taxable Income. Subtract lines 33 through 52 from line 28. If less than zero, enter "0".....	53		00		
	54	Small Business Income Tax: Multiply line 53 by 2.5% (.025) and enter the result.....	54		00		
	55	Tax from recapture of credits from Arizona Form 301-SBI, Part 2, line 23.....	55		00		
	56	Subtotal of tax: Add lines 54 and 55. Enter the total.....	56		00		
Balance of Tax	57	Nonrefundable Credits from Arizona Form 301-SBI, Part 2, line 42.....	57		00		
	58	Balance of Tax: Subtract line 57 from line 56. If line 57 is greater than line 56, enter "0".....	58		00		
Payments and Refundable Credits	59a	2025 AZ estimated tax payments 59a	00	Claim of Right 59b	00	Add 59a and 59b 59c	00
	60	2025 AZ extension payment (Form 204-SBI).....	60				00
	61	Refundable credits: Check the box(es) and enter the total amount.....	61				00
Tax Due or Overpayment	62	Total payments and refundable credits: Add lines 59c, 60 and 61. Enter the total.....	62				00
	63	TAX DUE: If line 58 is larger than line 62, subtract line 62 from line 58. Enter amount of tax due. Skip lines 64, 65 and 66.....	63				00
	64	OVERPAYMENT: If line 62 is larger than line 58, subtract line 58 from line 62. Enter amount of overpayment.....	64				00
	65	Amount of line 64 to be applied to 2026 estimated tax.....	65				00
Penalty	66	Balance of overpayment: Subtract line 65 from line 64. Enter the difference	66				00
	67	Estimated payment penalty from Form 221-SBI. See instructions.....	67				00
Refund or Amount Owed	68	681 <input type="checkbox"/> Annualized/Other 682 <input type="checkbox"/> Farmer or Fisherman 683 <input type="checkbox"/> Form 221-SBI included					
	69	REFUND: Subtract line 67 from line 66. If less than zero, enter amount owed on line 70	69				00
		Direct Deposit of Refund: Check box 69A if your deposit will be ultimately placed in a foreign account; see instructions. 69A <input type="checkbox"/>					
		<input checked="" type="checkbox"/> C <input type="checkbox"/> Checking or <input type="checkbox"/> S <input type="checkbox"/> Savings					
	70	AMOUNT OWED: Add lines 63 and 67. Enter the total Make check payable to Arizona Department of Revenue; write your SSN and "140-SBI" on payment; and include it with your return.....	70				00

Under penalties of perjury, I declare that I have read this return and any documents with it, and to the best of my knowledge and belief, they are true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

PLEASE SIGN HERE

YOUR SIGNATURE	DATE	OCCUPATION
SPOUSE'S SIGNATURE	DATE	SPOUSE'S OCCUPATION
PAID PREPARER'S SIGNATURE	DATE	FIRM'S NAME (PREPARER'S IF SELF-EMPLOYED)
PAID PREPARER'S STREET ADDRESS	PAID PREPARER'S TIN	
PAID PREPARER'S CITY	STATE	ZIP CODE
		PAID PREPARER'S PHONE NUMBER

If you are sending a payment with this return, mail to Arizona Department of Revenue, PO Box 52016, Phoenix, AZ 85072-2016. Include the payment with Form 140-SBI.
If you are expecting a refund or owe no tax, or owe tax but are not sending a payment, mail to Arizona Department of Revenue, PO Box 52138, Phoenix, AZ 85072-2138.

Arizona Form
204-SBI**Extension Payment**
Small Business Income Tax Returns OnlyFOR
CALENDAR YEAR
2025For the calendar year 2025 or fiscal year beginning MM, DD, 2025 and ending MM, DD, 20YY **66**

1 Your First Name and Middle Initial		Last Name		Enter your SSN(s).	Your Social Security Number		
1 Spouse's First Name and Middle Initial (if filing joint)		Last Name			Spouse's Social Security No.		
2 Current Home Address - number and street, rural route		Apt. No.			95. Filing Status. Must be the same as Form 140-SBI, 140NR-SBI or 140PY-SBI 95a <input type="checkbox"/> Married filing joint return 95c <input type="checkbox"/> Head of Household 95b <input type="checkbox"/> Married filing separate return 95d <input type="checkbox"/> Single		
3 City, Town or Post Office		State		ZIP Code		REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 88	
94 Your daytime phone number (include area code): _____							
Check only <u>one</u> box: <input type="checkbox"/> Full-Year Resident - Form 140-SBI <input type="checkbox"/> Part-Year Resident - Form 140PY-SBI <input type="checkbox"/> Nonresident - Form 140NR-SBI						81 PM	80 RCVD

Complete this form only if you are making an extension payment for your Small Business Income Tax Return.

If you are **not** making an extension tax payment for your Small Business Income tax return, **do not complete this form.** You must complete Form 204, *Application for Filing Extension*, on or before the original due date, to request an automatic 6-month extension to file your small business income tax return.

Filing Form 204 to request an automatic 6-month extension for your income tax return (Form 140, 140PY or 140NR) will also provide an automatic 6-month extension to file your Small Business Income tax return (Form 140-SBI, 140PY-SBI or Form 140NR-SBI).

1 Small Business Income tax liability for 2025. You may estimate this amount.....	1		00
2 Arizona estimated tax payments for 2025	2		00
3 Credits you will claim on your 2025 return. See Arizona Form 301-SBI for a list of credits.	3		00
4 Add lines 2 and 3	4		00
5 Balance of Tax: Subtract line 4 from line 1.....	5		00
6 Enter amount of extension payment enclosed..... PAYMENT ENCLOSED ▶ 6	6		00

- **Make check payable to Arizona Department of Revenue; write your SSN, Form 204-SBI and tax year on your payment.**
- **Include your payment with this form.**

• **IMPORTANT:** If you are filing under an extension using a federal extension or if you filed Form 204 but are making an Arizona extension *payment by credit card or electronic payment*, **do not mail Form 204-SBI** to us. We will apply your extension tax payment to your account.

- If you **are** sending a payment with this form, mail to Arizona Department of Revenue,
PO Box 29085, Phoenix, AZ 85038-9085.

Arizona Form
140ES-SBI

**Individual Estimated Income Tax Payment
Small Business Income Tax Return**

FOR CALENDAR YEAR

2026

This estimated payment is for tax year ending December 31, 2026 or for tax year ending: MM/DD/20YY

Your First Name and Middle Initial		Last Name		Enter your SSN(s)	Your Social Security Number	
Spouse's First Name and Middle Initial (if filing joint)		Last Name			Spouse's Social Security No.	
Current Home Address - number and street, rural route			Apt. No.	95. Filing Status. Must be the same as Form 140-SBI, 140NR-SB1 or 140PY-SBI 95a <input type="checkbox"/> Married filing joint return 95c <input type="checkbox"/> Head of Household 95b <input type="checkbox"/> Married filing separate return 95d <input type="checkbox"/> Single		
City, Town or Post Office			State	ZIP Code		
Your Daytime Phone (with area code):						

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

- STOP** • DO NOT USE THIS FORM TO MAKE DELINQUENT INCOME TAX PAYMENTS.
• Use this form only for mailing estimated payments.

1 Payment: You must round your estimated payment to a whole dollar (no cents).

Enter the amount of **payment enclosed** \$ 00

2 Check only one box for the quarter for which this payment is made.

Do not select more than one quarter. You must submit a separate form for *each quarter* for which a payment is made.

Payment for **calendar year filers** are due as follows:

<input type="checkbox"/> 1st Quarter – January to March Due date is April 15, 2026 .
<input type="checkbox"/> 2nd Quarter – April to June Due date is June 15, 2026 .
<input type="checkbox"/> 3rd Quarter – July to September Due date is September 15, 2026 .
<input type="checkbox"/> 4th Quarter – October to December Due date is January 15, 2027 .

Payment for **fiscal year filers** are due as follows:

<input type="checkbox"/> 1st Quarter – 15th day of the fourth month of the current fiscal year.
<input type="checkbox"/> 2nd Quarter – 15th day of the sixth month of the current fiscal year.
<input type="checkbox"/> 3rd Quarter – 15th day of the ninth month of the current fiscal year.
<input type="checkbox"/> 4th Quarter – 15th day of the first month of the next fiscal year.

If any of the due dates fall on a Saturday, Sunday, or legal holiday, you may make the required payment for that quarter by midnight on the next business day following that day.

If you are mailing this payment:

To ensure proper application of this payment, be sure that you:

- ✓ Complete and submit this form in its entirety. Do not cut this page in half.
- ✓ Make your check or money order payable to Arizona Department of Revenue.
- ✓ Write your SSN, "Tax Year 2026" and "140ES-SBI" on your payment.
- ✓ Include your payment with this form.
- ✓ **Mail to** Arizona Department of Revenue, PO Box 29085, Phoenix, AZ 85038-9085.

Be sure to review your estimated income and adjust your payments as necessary during the year.

If you are making an electronic payment

You can make this estimated payment by eCheck or credit card!

American Express ♦ Visa ♦ Discover Card ♦ MasterCard

www.AZTaxes.gov

- ✓ Click on "Make a Payment" and select "140ES-SBI" as the Payment Type.
- ✓ Do not mail this form. We will apply this payment to your account.

Worksheet for Computing Estimated Payments for Individuals
For use with Arizona Form 140ES-SBI

Step 1 Estimated Arizona Taxable Income

- 1 Use the estimated tax worksheet attached to IRS Form 1040ES and enter the portion reported on federal Schedules B, C, D (amounts related to small business income), E, F and Form 4797 (if not reported on Schedule D)..... 1

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Step 2 Additions

Below are common items of income that are not taxable under the Internal Revenue Code but are taxable under Arizona Revised Statutes.

Estimate amounts related to your small business income and enter in the spaces provided:

- 2 Non-Arizona municipal interest..... 2

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- 3 Other additions to income. See instructions..... 3

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- 4 Total additions to income: Add lines 2 and 3 4

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- 5 Add line 1 and line 4..... 5

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Step 3 Subtractions

- 6 Interest income on obligations of the United States (e.g. U.S. savings bonds, treasury bills, etc.) 6

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- 7 Total subtraction: Enter the amount from line 6 7

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- 8 Subtract line 7 from line 5..... 8

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Step 4 Estimated Arizona Income Tax

- 9 Multiply the amount on line 8 by 2.5% (.025) to calculate your Arizona estimated tax liability.
Enter your estimated tax liability here..... 9

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- 10 Credits. (see instructions)..... 10

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- 11 Subtract line 10 from line 9. Enter the difference. If line 10 is more than line 9, enter "0".
• If line 11 is "0", STOP. Based on amounts entered on lines 1 through 10, you do not need to make 2026 estimated payments.
• If there is an amount on line 11, complete lines 12 through 15 to calculate your required estimated tax payment(s)..... 11

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- 12 Enter 90% (.90) of line 11 12

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- 13 Enter the preceding year's Arizona tax liability if you were required to file and did file a return for the preceding year, otherwise skip this line..... 13

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- 14 If you entered an amount on line 13, enter the smaller of line 13 or line 12.
Otherwise, enter the amount from line 13 and base estimated payment on this amount..... 14

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- 15 If the first payment you are required to make is due April 15, 2026, enter 1/4 of line 25 (minus any 2025 overpayment that you are applying to this installment) here and on your 140ES-SBI 15

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Include with your return.

For the calendar year 2025 or fiscal year beginning MM,DD,2025 and ending MM,DD,YYYY.

Your Name as shown on Form 140-SBI, 140PY-SBI, 140NR-SBI or 140X-SBI	Your Social Security Number
Spouse's Name as shown on Form 140-SBI, 140PY-SBI, 140NR-SBI or 140X-SBI (if a joint return)	Spouse's Social Security Number

Part 1 Nonrefundable Individual Tax Credits Available: Enter total available tax credits.

		(a) Current Year Credit	(b) Available Carryover	(c) Total Available Credit (a) + (b)	
1 Credit for Increased Research Activities – Individuals..... Form 308-I ▶	1				00
2 Credit for Taxes Paid to Another State or Country..... Form 309-SBI ▶	2				00
3 Agricultural Water Conservation System Credit Form 312 ▶	3				00
4 Pollution Control Credit..... Form 315 ▶	4				00
5 Credit for Agricultural Pollution Control Equipment..... Form 325 ▶	5				00
6 Credit for Donation of School Site Form 331 ▶	6				00
7 Credit for Employing National Guard Members..... Form 333 ▶	7				00
8 Credit for Business Contributions by an S Corporation to School Tuition Organizations - Individual Form 335-I ▶	8				00
9 Credit for Investment in Qualified Small Businesses..... Form 338 ▶	9				00
10 Credit for Business Contributions by an S Corporation to School Tuition Organizations for Displaced Students or Students with Disabilities - Individual Form 341-I ▶	10				00
11 Renewable Energy Production Tax Credit..... Form 343 ▶	11				00
12 Credit for New Employment..... Form 345 ▶	12				00
13 Additional Credit for Increased Research Activities for Basic Research Payments Form 346 ▶	13				00
14 Healthy Forest Production Tax Credit..... Form 353 ▶	14				00
15 Affordable Housing Tax Credit..... Form 354 ▶	15				00
16 Credit for Entity-Level Income Tax..... Form 355 ▶	16				00
17 Reserved.....	17				
18 Total available nonrefundable tax credits: Add lines 1 through 16	18				00

Continued on page 2 ➔



You must include Form 301-SBI and the corresponding credit form(s) for which you computed your credit(s) with your Small Business Income tax return.

Your Name (as shown on page 1)	Your Social Security Number	
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Part 2 Application of Tax Credits and Recapture: Enter tax, recapture tax, and tax credits used this taxable year.

19 Tax from Form 140-SBI, line 54; or Form 140PY-SBI, line 54; or Form 140NR-SBI, line 52; or Form 140X-SBI, line 54.....	19		00
20 Tax from Recapture of Motion Picture Production Cost Credit from Form 334, line 15.....	20		00
21 Tax from Recapture of Credit for Qualified Facilities from Form 349, line 19.....	21		00
22 Tax from Recapture of Credit for Affordable Housing from Form 354, line 12.....	22		00
23 Recapture Total: Add lines 20, 21 and 22. Enter here and on Form 140-SBI, line 55; or Form 140PY-SBI, line 55; or Form 140NR-SBI, line 53; or Form 140X-SBI, line 55.....	23		00
24 Subtotal: Add lines 19 and 23.....	24		00

Nonrefundable Tax Credits Used This Taxable Year: Enter amounts actually used from Part 1.

25 Credit for Increased Research Activities – Individuals..... Form 308-I ▶	25		00
26 Credit for Taxes Paid to Another State or Country.....Form 309-SBI ▶	26		00
27 Agricultural Water Conservation System CreditForm 312 ▶	27		00
28 Pollution Control Credit.....Form 315 ▶	28		00
29 Credit for Agricultural Pollution Control Equipment..... Form 325 ▶	29		00
30 Credit for Donation of School SiteForm 331 ▶	30		00
31 Credit for Employing National Guard Members.....Form 333 ▶	31		00
32 Credit for Business Contribution by an S Corporation to School Tuition Organizations - Individual Form 335-I ▶	32		00
33 Credit for Investment in Qualified Small Businesses.....Form 338 ▶	33		00
34 Credit for Business Contributions by an S Corporation to School Tuition Organizations for Displaced Students or Students with Disabilities - Individual.. Form 341-I ▶	34		00
35 Renewable Energy Production Tax Credit.....Form 343 ▶	35		00
36 Credit for New Employment.....Form 345 ▶	36		00
37 Additional Credit for Increased Research Activities for Basic Research Payments..Form 346 ▶	37		00
38 Healthy Forest Production Tax Credit.....Form 353 ▶	38		00
39 Affordable Housing Tax Credit.....Form 354 ▶	39		00
40 Credit for Entity-Level Income Tax.....Form 355 ▶	40		00
41 Reserved.....	41		
42 Total Tax Credits Used: Add lines 25 through 40. Enter this amount on Form 140-SBI, line 57; or Form 140PY-SBI, line 57; or Form 140NR-SBI, line 55 or Form 140X-SBI, line 57. Total credits used cannot be more than line 24.	42		00

Continued on page 3 →

Your Name (as shown on page 1)	Your Social Security Number
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Part 3 Amount of tax credits from Form 301-SBI available to use on Form 301.			
<p>Only complete this section if the both of the following are true:</p> <ul style="list-style-type: none"> The total available credits on Form 301-SBI, Part 1, line 18, exceeds the total tax credits used from Form 301-SBI, Part 2, line 42. The balance of tax on Form 140, 140PY, 140NR or 140X after applying the non-refundable credits from Form 301 is greater than "0". 			
43	Enter the tax amount from Form 301, line 33.....	43	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
44	Enter the total credits used from Form 301, line 58.....	44	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
45	Subtract line 44 from line 43. Enter the difference.....	45	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
<p>If line 45 is zero or less, STOP! Do not complete the following table.</p> <p>If the amount on line 45 is greater than zero, complete the table below to determine the amount of credit to enter on Form 301, line 59.</p>			

		Column (a)		Column (b)	
		Available credit from Part 1, column (c) minus credit used in Part 2. Enter the difference.		Amount in column (a) transferred to Form 301, line 59.	
46	Credit for Increased Research Activities – Individuals..... Form 308-I ▶	46	00	00	00
47	Credit for Taxes Paid to Another State or Country.....Form 309-SBI ▶	47	00	00	00
48	Agricultural Water Conservation System CreditForm 312 ▶	48	00	00	00
49	Pollution Control Credit.....Form 315 ▶	49	00	00	00
50	Credit for Agricultural Pollution Control Equipment.....Form 325 ▶	50	00	00	00
51	Credit for Donation of School SiteForm 331 ▶	51	00	00	00
52	Credit for Employing National Guard Members.....Form 333 ▶	52	00	00	00
53	Credit for Business Contribution by an S Corporation to School Tuition Organizations - Individual Form 335-I ▶	53	00	00	00
54	Credit for Investment in Qualified Small Businesses.....Form 338 ▶	54	00	00	00
55	Credit for Business Contributions by an S Corporation to School Tuition Organizations for Displaced Students with Disabilities - Individual..... Form 341-I ▶	55	00	00	00
56	Renewable Energy Production Tax Credit.....Form 343 ▶	56	00	00	00
57	Credit for New Employment.....Form 345 ▶	57	00	00	00
58	Additional Credit for Increased Research Activities for Basic Research Payments.. Form 346 ▶	58	00	00	00
59	Healthy Forest Production Tax Credit..... Form 353 ▶	59	00	00	00
60	Affordable Housing Tax Credit.....Form 354 ▶	60	00	00	00
61	Credit for Entity-Level Income Tax.....Form 355 ▶	61	00	00	00
62	Reserved.....	62			
63	Total Credits transferred to Form 301, line 59. Add lines 46 through 61, column (b), and enter the amount. Amount cannot be greater than line 45.....	63			00

Your Name (as shown on page 1)	Your Social Security Number
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Schedule of Income Allocation

Complete this schedule only if you are an Arizona resident who is also considered to be a resident of another state under the laws of that other state (dual resident); otherwise, skip this schedule. See pages 2 and 5 of the instructions.

		(a) Amount from 2025 federal return that meets the definition of Arizona small business gross income.	(b) Amount entered in column (a) reported on your 2025 Small Business tax return.	(c) Amount entered in column (a) reported on your 2025 return filed to your statutory state of residence.	(d) Amount entered in column (c) that would be sourced to your statutory state of residence as income of a nonresident of that state.
1	Interest & Ordinary Dividends from Federal Schedule B.	\$ 00	\$ 00	\$ 00	\$ 00
2	Business income or (loss) from Federal Schedule C.	\$ 00	\$ 00	\$ 00	\$ 00
3	Portion of Schedule D gains (or losses) included in the definition of Arizona small business gross income. See instructions.	\$ 00	\$ 00	\$ 00	\$ 00
4	Rents, royalties, partnerships, estates, trusts, small business corporations and residual interest in REMICS from Federal Schedule E. ...	\$ 00	\$ 00	\$ 00	\$ 00
5	Profit or Loss from Farming from Federal Schedule F.	\$ 00	\$ 00	\$ 00	\$ 00
6	Sales of Business Property from Federal Schedule 4797 that are not included in Schedule D.	\$ 00	\$ 00	\$ 00	\$ 00
7	Total Arizona Small Business Gross Income: Add lines 1 through 6.	\$ 00	\$ 00	\$ 00	\$ 00

2025 Extension Payment for Individuals filing Forms 140-SBI, 140NR-SBI or 140PY-SBI

Arizona Form 204-SBI

For information or help, call one of the numbers listed:

Phoenix (602) 255-3381
From area codes 520 and 928, toll-free (800) 352-4090

Tax forms, instructions, and other tax information

If you need tax forms, instructions, and other tax information, go to the department's website at www.azdor.gov.

Income Tax Procedures and Rulings

These instructions may refer to the department's income tax procedures and rulings for more information. To view or print these, go to our website select the *About* tab on the home page and select *Legal Research* from the drop-down menu and then click on *Procedures* or *Rulings* from the drop-down menu. Using the Category box, select the tax type and then scroll down to find the *Document ID* or use the *Search Keyword* function to locate the document.

Publications

To view or print the department's publications, go to our website select the *About* tab on the home page and select *Legal Research* from the drop-down menu and then click on *Publications* from the drop-down menu.

Purpose of Form 204-SBI

Use Arizona Form 204-SBI **only** to make an extension payment for your Small Business Income Tax Return (140-SBI, 140NR-SBI or 140PY-SBI). If you are not making an extension payment for your small business income tax return do not file this form.

Do **not** use Form 204-SBI to request an extension to your Arizona Small Business Income Tax Return. If you filed Form 204, *Application for Filing Extension*, to request an extension to file your income tax return (Forms 140, 140NR or 140PY) Form 204 will also provide an automatic 6-month extension to file your Small Business Income Tax Return. For more information see Form 204 for the required due date to file Form 204 to request an automatic 6-month period extension to file your tax return(s).

Completing Form 204-SBI

Lines 1, 2 and 3

- Enter your name and SSN on the first line 1.
- If filing a joint return with your spouse, enter your spouse's name and SSN on the second line 1.
- Enter your current address on lines 2 and 3.
- Box 95: Select the filing status that you will use on Form 140-SBI, 140NR-SBI or 140PY-SBI.
- Box 94: enter your daytime phone (with area code).
- Check which form this filing extension request is filed for.
- Complete the rest of form following the directions on the form.

Foreign Address

If you have a foreign address, enter the information in the following order: city, province or state, and country. Follow the country's practice for entering the postal code. Do not abbreviate the country name.

Making Your Payment For Your Small Business Income Tax Return

An extension does not extend the time to pay your income tax. You must still pay your tax liability by April 15, 2026 or by the original due date of your return.

If you do not pay at least 90% (.90) of the income tax liability disclosed by your return by the return's original due date, you will be subject to the extension underpayment penalty. We charge interest from the original due date to the date of payment.

Extension Underpayment Penalty: We impose this penalty if you do not pay at least 90% (.90) of the income tax liability shown on your return filed under an extension by the return's original due date. The extension underpayment penalty is $\frac{1}{2}$ of 1% (.005) of the income tax not paid for each 30-day period or fraction of a 30-day period. We impose this penalty from the original due date of the return until you pay the tax. The extension underpayment penalty cannot exceed 25% (.25) of the unpaid income tax. If we charge you the extension underpayment penalty, we will not charge you the late payment penalty under Arizona Revised Statutes § 42-1125(D).

Mail your **payment** with this form to:

Arizona Department of Revenue
PO Box 29085
Phoenix, AZ 85038-9085

The department will not return a copy of the Form 204-SBI to you. Be sure to keep a copy of the completed Form 204-SBI.

Individuals may make extension payments by check, electronic check, money order, or credit card.

Check or Money Order

If paying by check or money order, make your check or money order payable to Arizona Department of Revenue.

Write your SSN, Form 204-SBI and Tax Year 2025 on the **front** of your check or money order.

Include your check or money order with Form 204-SBI.

Electronic Payment From Your Checking or Savings Account

You can make an electronic payment from your checking or savings account to pay your balance due for 2025. There is no fee to use this method. To make an electronic payment, go to www.AZTaxes.gov and click on the "Make a Payment" link.

Be sure to enter the correct routing number and account number for your checking or savings account. You will be charged a \$50 NSF (non-sufficient funds) fee if you provide an incorrect routing number or an incorrect account number. Check with your financial institution to get the correct routing and account numbers.

The “E-Check” option in the “Payment Method” drop-down box will debit the amount from the checking or savings account that you specify. If you make an electronic payment from your checking or savings account, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

NOTE: *You may not make an electronic payment from your checking or savings account if the payment will ultimately be coming from a foreign account. In this case, you must pay by check or money order.*

Credit Card Payment

You can pay with your Visa, MasterCard, Discover, or American Express credit card. Go to www.AZTaxes.gov and click on the “Make a Payment” link and choose the credit card option. This will take you to a third-party vendor site (provider). The provider **will charge** you a convenience fee based on the amount of your tax payment. The provider will tell you what the fee is during the transaction; you will have the option to continue or cancel the transaction. If you complete the credit card transaction, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

Instructions Before Mailing

Make sure that you have completed all of the information requested on the **front** of the form.

To avoid an extension underpayment penalty, make sure you pay at least 90% (.90) of your Arizona tax liability.

2026 Individual Estimated Income Tax Payment Small Business Income Tax Return

Arizona Form 140ES-SBI

For information or help, call one of the numbers listed:

Phoenix (602) 255-3381
From area codes 520 and 928, toll-free (800) 352-4090

Tax forms, instructions, and other tax information

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Income Tax Procedures and Rulings

These instructions may refer to the department's income tax procedures and rulings for more information. To view or print these, go to our website select the *About* tab on the home page and select *Legal Research* from the drop-down menu and then click on *Procedures* or *Rulings* from the drop-down menu. Using the Category box, select the tax type and then scroll down to find the *Document ID* or use the *Search Keyword* function to locate the document.

Publications

To view or print the department's publications, go to our website select the *About* tab on the home page and select *Legal Research* from the drop-down menu and then click on *Publications* from the drop-down menu.

Who Should Use Form 140ES-SBI

A taxpayer electing to report small business income on Form 140-SBI, Form 140NR-SBI or Form 140PY-SBI and mailing a voluntary or mandatory estimated tax payment for a small business tax return **must** use Arizona Form 140ES-SBI to make a payment for their small business tax return.

NOTE: *If you are making an estimated payment using www.AZTaxes.gov, do **not** mail this form to the department. We will apply the payment to your account. Keep a copy of this form for your records.*

General Information

- Enter your name, Social Security Number (SSN), or individual taxpayer identification number (ITIN) issued by the Internal Revenue Service and your current address. If you are married making a joint estimated payment, enter your SSNs or ITINs in the same order as your first names and in the same order as they will be shown on your joint Arizona income tax return.
- If you have a **foreign address**, enter the information in the following order: city, province or state, and country. Follow the country's practice for entering the postal code. Do not abbreviate the country name.
- Check the appropriate filing status on line 95 that you will use when filing Form 140-SBI, 140NR-SBI or 140PY-SBI.
- Enter your daytime phone number (including area code) in the space for Box 94
- Complete Form 140ES-SBI using black ink.

- Once you make an estimated payment, you must file a small business tax return for that year in order to claim the estimated payment.
- You must round each estimated payment to whole dollars (no cents).
- Check only **one** box for the quarter for which this payment is made. Do not select more than one quarter. You must submit a separate form for each quarter for which a payment is made.

Required Payments

Arizona requires certain individuals to make small business income estimated tax payments. Taxpayers are required to make estimated payments (starting with 2026) if their small business tax liability will exceed \$1,000 (SBI tax less allowable credits). Taxpayers must pay 90% of current year or 100% of last year.

If you did not file a small business tax return for the prior tax year, the 100% requirement does not apply. In this case, figure your required estimated payments on 90% of the current year's estimated small business tax liability

You must make estimated payments during 2026 unless you are sure you will not meet the \$1,000 threshold for 2026.

How Much Should My Small Business Income Tax Estimated Payments Total?

If you have to make estimated payments, your payments must total either 90% of the tax due for 2026, or 100% of the tax due for 2025.

You can use your 2025 tax to figure the amount of payments that you must make during 2026 only if you filed a 2025 small business tax return.

Worksheet for Computing Estimated Payments for Individuals filing a Small Business Tax Return

Use the worksheet on page 2 of this form to calculate your required estimated tax payments. Follow the instructions on the worksheet to complete Steps 1 through 4.

Credits (Line 10) – Enter the estimated amount of credits you will be claiming on your 2026 small business income tax return. See the 2025 Form 140-SBI, Form 140NR-SBI or Form 140PY-SBI and related instructions for the types of credits allowed.

When Should I Make My Estimated Payments?

For the most part, you must make your payments in four equal installments.

NOTE: *If the due date falls on a Saturday, Sunday, or legal holiday, you may pay by midnight on the next business day following that day.*

Calendar year filers - estimated payment due dates:	
Payment 1	April 15, 2026.
Payment 2	June 15, 2026
Payment 3	September 15, 2026
Payment 4	January 15, 2027.

If you are a fiscal year filer, the payments are due on the 15th day of the fourth, sixth, and ninth months of the current fiscal year and the first month of the next fiscal year.

Voluntary Payments

An individual who does not have to make 2026 Arizona small business income estimated income tax payments may choose to make them. Taxpayers who make such an election may choose one of the following methods to make their payments.

Method 1: If you file federal estimated tax, you can file Form 140ES-SBI at the same time.

The amount that you remit with Form 140ES-SBI should be 10%, 15%, or 20% of the amount that you paid on the federal **Form 1040-ES related to small business income**

Method 2: You may file installments using Form 140ES-SBI.

If you are a calendar year filer making voluntary estimated payments, see the table under *When Should I Make My Estimated Payments?* For the due dates of these payments.

If you are a fiscal year filer making voluntary estimated payments, the payments are due on the 15th day of the fourth, sixth and ninth months of the current fiscal year, and the first month of the next fiscal year.

The sum of the amounts remitted should equal your estimated end-of-tax-year small business tax liability.

Method 3: You may file an *Individual Estimated Income Tax Payment*, Form 140ES-SBI, with a single, lump-sum payment before January 15, 2027.

The payment should reflect your estimated end-of-tax-year small business income tax liability.

Completing Lines 1 and 2

Line 1

Enter the amount of your payment. Round your payment to the nearest whole dollar (no cents). Your payment is the amount you figured using the worksheet for computing estimated payments.

Line 2

Check the box for the quarter for which this payment is made.

Sending Your Payment

Individuals may make estimated payments by check, electronic check, money order, or credit card.

Check or money order

Make your check payable to Arizona Department of Revenue. Write your SSN, "Tax Year 2026" and "140ES-SBI" on the check.

Include your check with the completed Form 140ES-SBI and mail to:

Arizona Department of Revenue
PO Box 29085
Phoenix, AZ 85038-9085

The department cannot accept checks or money orders in foreign currency. You must make payment in U.S. dollars.

Electronic payment from your checking or savings account

NOTE: *You may not make an electronic payment from your checking or savings account if the payment will ultimately be coming from a foreign account. In this case, you must pay by check or money order.*

You can pay your 2026 estimated tax with an electronic payment from your checking or savings account. There is no fee to use this method. To make an electronic payment, go to www.AZTaxes.gov and click on the "Make a Payment" link.

The "E-Check" option in the "Payment Method" drop-down box will debit the amount from the checking or savings account that you specify. If you make an electronic payment from your checking or savings account, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

NOTE: *If you are paying by electronic check, **do not** use Form 140ES-SBI. We will apply your small business income estimated tax payment to your account. You must claim the estimated payment on your original small business income tax return when you file.*

Credit card payment

You can pay your 2026 estimated tax through a third-party service provider using your Visa, MasterCard, Discover, or American Express credit card. Go to www.AZTaxes.gov, click on the "Make a Payment" link and choose the credit card option.

This will take you to a third party vendor site (provider). The provider will charge you a convenience fee based on the amount of your tax payment. If you complete the credit card transaction, you will receive a confirmation number. **Please keep this confirmation number as proof of payment.**

NOTE: *If you are paying by credit card, **do not** use Form 140ES-SBI. We will apply your estimated tax payment to your account. You must claim the estimated payment on your original return when you file.*

Record of Estimated Small Business Income Tax Payments		
	Date Made	Amount
1. Amount of 2025 overpayment applied to 2026 estimated tax		.00
2. Payment 1		.00
3. Payment 2		.00
4. Payment 3		.00
5. Payment 4		.00
Total:		.00

2025 Nonrefundable Individual Tax Credits and Recapture

Arizona Form 301-SBI

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From area code 520 and 928, toll-free (800) 352-4090

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To view or print the department's publications, go to our website select the *About* tab on the home page and select *Legal Research* from the drop-down menu and then click on *Publications* from the drop-down menu.

General Instructions

You must complete and include Arizona Form 301-SBI and the credit form(s) with your Arizona Small Business Income Tax return to claim nonrefundable.

Use this form to:

- Summarize your total available nonrefundable tax credits.
- Determine the application of the available tax credits.
- Summarize your tax liability related to recapture of tax credits.
- Claim *any* available credit carryover.

If you don't meet one of the exceptions below and do not complete and include Form 301-SBI and all required tax credit forms with your income tax return, your claim for tax credit(s) may be denied.

When Form 301-SBI is Not Required

You are not required to complete and include Form 301-SBI with your tax return to *only* claim any of the following credits:

- The refundable portion of the Increased Research Activities Credit (Arizona Form 308-I).
- The credit for Motion Picture Production Costs (Arizona Form 334).
- The credit for Qualified Facilities (Arizona Form 349).

Line-by-Line Instructions

Enter your name and Social Security Number (SSN) as shown on Arizona Form 140-SBI, 140PY-SBI, 140NR-SBI, or 140X-SBI.

All returns, statements, and other documents filed with the department require a taxpayer identification number (TIN). The TIN for an individual is the taxpayer's SSN or an Internal

Revenue Service (IRS) individual taxpayer identification number (ITIN). Taxpayers that fail to include their identification number may be subject to a penalty.

Part 1: Nonrefundable Individual Tax Credits Available

Complete Part 1 to determine the total amount of *available* nonrefundable tax credits. The available tax credit amount for a particular credit is the total of the current taxable year's credit and any unused credit carryovers available from prior taxable years.

On lines 1 through 16 complete columns (a), (b) and (c) for each of the following credits available to you this taxable year.

Line 1 - Credit for Increased Research Activities - Individuals

If you are claiming a refund of 75% of current year's excess credit:

Column (a): Enter the amount from Form 308-I, line 34(d).

Column (b): Enter "0". No carry forward of any amount is allowed from the year of the refund.

Column (c): Enter the amount from column (a).

If you are **not** claiming a refund of 75% of current year's excess credit:

Column (a): Enter the amount from Form 308-I, line 68.

Column (b): Enter the amount from Form 308-I, line 69.

Column (c): Enter the amount from Form 308-I, line 70.

Line 2 - Credit for Taxes Paid to Another State or Country

Column (a): Enter the amount from Form 309-SBI, line 17.

Column (b): Do not enter an amount here.

Column (c): Enter the amount from column (a).

Line 3 - Agricultural Water Conservation System Credit

Column (a): Enter the amount from Form 312, line 17.

Column (b): Enter the amount from Form 312, line 18.

Column (c): Enter the amount from Form 312, line 19.

Line 4 - Pollution Control Credit

Column (a): Do not enter an amount in column (a).

Column (b): Enter the amount from Form 315, line 26.

Column (c): Enter the amount from Form 315, line 27.

Line 5 - Agricultural Pollution Control Equipment Credit

Column (a): Enter the amount from Form 325, line 25.

Column (b): Enter the amount from Form 325, line 26.

Column (c): Enter the amount from Form 325, line 27.

Line 6 - Credit for Donation of School Site

Column (a): Enter the amount from Form 331, line 19.
 Column (b): Enter the amount from Form 331, line 20.
 Column (c): Enter the amount from Form 331, line 21.

Line 7 - Credit for Employing National Guard Members

Column (a): Enter the amount from Form 333, line 17.
 Column (b): Enter the amount from Form 333, line 18.
 Column (c): Enter the amount from Form 333, line 19.

Line 8 - Credit for Business Contributions by an S Corporation to School Tuition Organizations - Individual

Column (a): Enter the amount from Form 335-I, line 19.
 Column (b): Enter the amount from Form 335-I, line 20.
 Column (c): Enter the amount from Form 335-I, line 21.

Line 9 - Credit for Investment in Qualified Small Businesses

Column (a): Enter the amount from Form 338, line 9.
 Column (b): Enter the amount from Form 338, line 10.
 Column (c): Enter the amount from Form 338, line 11.

Line 10 - Credit for Business Contributions by an S Corporation to School Tuition Organizations for Displaced Students or Students with Disabilities - Individual

Column (a): Enter the amount from Form 341-I, line 19.
 Column (b): Enter the amount from Form 341-I, line 20.
 Column (c): Enter the amount from Form 341-I, line 21.

Line 11 - Renewable Energy Production Tax Credit

Column (a): Enter the amount from Form 343, line 14.
 Column (b): Enter the amount from Form 343, line 15.
 Column (c): Enter the amount from Form 343, line 16.

Line 12 - Credit for New Employment

Column (a): Enter the amount from Form 345, line 22.
 Column (b): Enter the amount from Form 345, line 23.
 Column (c): Enter the amount from Form 345, line 24.

Line 13 - Additional Credit for Increased Research Activities for Basic Research Payments

Column (a): Enter the amount from Form 346, line 20.
 Column (b): Enter the amount from Form 346, line 21.
 Column (c): Enter the amount from Form 346, line 22.

Line 14 - Healthy Forest Production Tax Credit

Column (a): Enter the amount from Form 353, line 15.
 Column (b): Enter the amount from Form 353, line 16.
 Column (c): Enter the amount from Form 353, line 17.

Line 15 - Affordable Housing Credit

Column (a): Enter the amount from Form 354, line 20.
 Column (b): Enter the amount from Form 354, line 21.
 Column (c): Enter the amount from Form 354, line 22.

Line 16 - Credit for Entity-Level Income Tax

Column (a): Enter the amount from Form 355, line 11.
 Column (b): Enter the amount from Form 355, line 12.
 Column (c): Enter the amount from Form 355, line 13.

Line 17 - Reserved

Do not enter an amount on this line.

Line 18 - Total Available Nonrefundable Tax Credits

For column (c), add lines 1 through 16. Enter the total. This is the total amount of all nonrefundable tax credits, except the family income tax credit, *available* for your use.

Part 2: Application of Tax Credits and Recapture

Complete Part 2 to: figure any recapture. Also, complete Part 2 to determine which tax credits you will use and the portion of the available credit amount from Part 1 that you will use for a particular tax credit.

Line 19 -

Enter the amount of tax from your income tax form.

If you file Form:	Enter the amount from line:
140-SBI	54
140PY-SBI	54
140NR-SBI	52
140X-SBI	54

Line 20 - Motion Picture Production Costs Recapture Tax

Enter the amount of tax from recapture of the credit for Qualified Facilities from Form 334, line 15.

Line 21 - Qualified Facilities Recapture Tax

Enter the amount of tax from recapture of the credit for Qualified Facilities from Form 349, line 19.

Line 22 - Affordable Housing Recapture Tax

Enter the amount of tax from recapture of the credit for Qualified Facilities from Form 354, line 12.

Line 23 - Recapture Total

Add lines 20, 21 and 22. Enter the total here and on your income tax form.

If you file Form:	Enter the amount on line:
140-SBI	55
140PY-SBI	55
140NR-SBI	53
140X-SBI	55

Line 24 - Subtotal

Add lines 19 and 23. Enter the total here.

Nonrefundable Tax Credits Used This Taxable Year

The total amount of tax credits you use cannot exceed the amount entered on line 24 In order for you to determine which tax credit(s) to use and the amount to use for a particular tax credit, you must consider any limitations on the allowable amount of a particular tax credit and whether you may carry the unused portion of a particular tax credit forward. The amount entered on each of lines 25 - 40 cannot exceed the Total Available Credit amount on the corresponding lines on Form 301-SBI, page 1, column (c).

Line 25 - Credit for Increased Research Activities -

Individuals

The amount you enter on line 25 cannot exceed the amount from Form 301-SBI, line 1, column (c). The unused portion of this tax credit may be carried forward for 15 succeeding taxable years. See Form 308-I for details. Enter the amount used.

If you qualify for and are claiming a 75% refund of your excess credit for the current year, enter **only** the nonrefundable portion of the current year's credit here (from Form 308-I, **Part 5, line 28d**). Enter the refundable portion of the credit (the amount from Form 308-I, **Part 7, line 38**) on Form 140-SBI, line 61; or Form 140NR-SBI, line 59; or Form 140PY-SBI, line 61; or Form 140X-SBI, line 61.

Carry forwards from previous years of the credit for increased research activities will carry over to the following year, provided the credit is within the 15 year carry forward period.

Line 26 - Credit for Taxes Paid to Another State or Country

The amount you enter on line 26 cannot exceed the amount from Form 301-SBI, line 2, column (c). There is no carry forward of the unused portion of this tax credit. See Form 309-SBI for details. Enter the amount used.

Line 27 - Agricultural Water Conservation System Credit

The amount you entered on line 27 cannot exceed the amount from Form 301-SBI, line 3, column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 312 for details. Enter the amount used.

Line 28 – Pollution Control Credit

The amount you entered on line 28 cannot exceed the amount from Form 301-SBI, line 4, column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 315 for details. Enter the amount used.

Line 29 - Agricultural Pollution Control Equipment Credit

The amount you enter on line 29 cannot exceed the amount from Form 301-SBI, line 5, column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 325 for details. Enter the amount used.

Line 30- Credit for Donation of School Site

The amount you enter on line 30 cannot exceed the amount from Form 301-SBI, line 6, column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 331 for details. Enter the amount used.

Line 31 - Credit for Employing National Guard Members

The amount you enter on line 31 cannot exceed the amount from Form 301-SBI, line 7, column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 333 for details. Enter the amount used.

Line 32 - Credit for Business Contributions by an S Corporation to School Tuition Organizations - Individual

The amount you enter on line 32 cannot exceed the amount from Form 301-SBI, line 8, column (c). You may carry the unused portion of this tax credit forward for five succeeding

taxable years. See Form 335-I for details. Enter the amount used.

Line 33 - Credit for Investment in Qualified Small Businesses

The amount you enter on line 33 cannot exceed the amount from Form 301-SBI, line 9 column (c). You may carry the unused portion of this tax credit forward for three succeeding taxable years. See Form 338 for details. Enter the amount used.

Line 34 - Credit for Business Contributions by an S Corporation to School Tuition Organizations for Displaced Students or Students with Disabilities - Individual

The amount you enter on line 34 cannot exceed the amount from Form 301-SBI, line 10, column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 341-I for details. Enter the amount used.

Line 35 - Renewable Energy Production Tax Credit

The amount you enter on line 35 cannot exceed the amount from Form 301-SBI, line 11, column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 343 for details. Enter the amount used.

Line 36 - Credit for New Employment

The amount you enter on line 36 cannot exceed the amount from Form 301-SBI, line 12, column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 345 for details. Enter the amount used.

Line 37 - Additional Credit for Increased Research Activities for Basic Research Payments

The amount you enter on line 37 cannot exceed the amount from Form 301-SBI, line 13, column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 346 for details. Enter the amount used.

Line 38 - Healthy Forest Production Credit

The amount you enter on line 38 cannot exceed the amount from Form 301-SBI, line 14, column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 353 for details. Enter the amount used.

Line 39 - Affordable Housing Credit

The amount you enter on line 39 cannot exceed the amount from Form 301-SBI, line 15, column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 354 for details. Enter the amount used.

Line 40 – Credit for Entity-Level Income Tax

The amount you enter on line 40 cannot exceed the amount from Form 301-SBI, line 16 column (c). You may carry the unused portion of this tax credit forward for five succeeding taxable years. See Form 355 for details. Enter the amount used.

Line 41 – Reserved

Do not enter an amount on this line.

Line 42 - Tax Credits Used

Add lines 25 through 40 and enter the total here.

Also enter this amount on your small business income tax form.

If you file Form:	Enter the amount on line:
140-SBI	57
140PY-SBI	57
140NR-SBI	55
140X-SBI	57

Total credits used cannot be more than line 24.

Part 3: Amount of tax credits from Form 301-SBI Available to Transfer (use) on Form 301

Taxpayers filing Form 301-SBI may transfer certain unused credits to Form 301 to use on their individual income tax return.

Complete this section if both of the following are true:

- The total available credits on Form 301-SBI, Part 1, line 18, exceeds the total tax credits used on Form 301-SBI, Part 2, line 42.
- The balance of tax on Form 140, 140PY, 140NR or 140X after applying the non-refundable credits from Form 301 is greater than "0".

Lines 43 through 45

Completed lines 43 - 45 to determine if you have a tax liability remaining after applying your non-refundable tax credits on your regular income tax return.

Lines 46 through 61

If line 45 is greater than zero, "0", complete lines 46 through 61 to

report the amount of credits available to transfer to Form 301.

- Column (a): Enter the available credit from Part 1, column (c) minus credit used in Part 2. Enter the difference.
- Column (b): Enter the amount for each credit that you are transferring to Form 301.

Line 62 – Reserved

Do not enter an amount on this line.

Line 63 – Total Credits Transferred to Form 301, line 60.

Add lines 46 - 60 and enter the total in column (b) on Form 301, line 60. **Amount on line 63 cannot be greater than line 45.**

Credit Carryover Worksheet

To figure how much of a credit carryover that you will have for next year, complete the carryover worksheet on the following page.

Keep the worksheet with your records and use the information to complete your 2026 return that you will file in 2027. If you have more than four credit types available, use your own worksheet. Make sure the additional worksheet has the same information as this worksheet.

301-SBI Credit Carryover Worksheet

Keep this worksheet with your records. Use this information to complete your 2026 credit forms that you will file in 2027.

Note: For Credit Form 308-I: Do not include the 308-I in the schedule if you received the excess as a refundable credit. In this case, there is no carryover available.

(a) Credit Type		(b) Carryover?		(c) Credit Available for 2025	(d) Credit Used for 2025	(e) Credit Transferred to Form 301	(f) Carryover Available for 2026
On lines 1 through 10 below, enter the form number of the credit(s) available to you for 2025.		May the unused portion from the credit listed in column (a) be carried forward? (See the applicable credit form for carry forward information.)		On lines 1 through 10 below, enter the amount of each credit <i>available</i> to you for 2025. Take these amounts from Form 301-SBI, lines 1 through 16.	On lines 1 through 10 below, enter the amount of each credit <i>used</i> on Form 301-SBI for 2025. Take these amounts from Form 301-SBI, lines 25 through 40.	On lines 1 through 10 below, enter the amount of each credit <i>transferred from Form 301-SBI to Form 301</i> for 2025. Enter the amounts from Part 3, lines 46 through 61, column (b).	For each line on which you have entered an amount, subtract the amount in column (e) from the amount in column (d). This is the amount of each credit that you may carryover to 2026, providing carryover may be carried to 2026. Use this amount when completing the appropriate carryover amount(s) on the 2026 credit form(s).
		YES	NO				
1.				.00	.00	.00	.00
2.				.00	.00	.00	.00
3.				.00	.00	.00	.00
4.				.00	.00	.00	.00
5.				.00	.00	.00	.00
6.				.00	.00	.00	.00
7.				.00	.00	.00	.00
8.				.00	.00	.00	.00
9.				.00	.00	.00	.00
10.				.00	.00	.00	.00

2025 Credit for Taxes Paid to Another State or Country

Arizona Form 309-SBI

For information or help, call one of the numbers listed:

Phoenix (602) 255-3381
From area codes 520 and 928, toll-free (800) 352-4090

Tax forms, instructions, and other tax information

If you need tax forms, instructions, and other tax information, go to the department's website at **www.azdor.gov**.

Income Tax Procedures and Rulings

These instructions may refer to the department's income tax procedures and rulings for more information. To view or print these, go to our website select the *About* tab on the home page and select *Legal Research* from the drop-down menu and then click on *Procedures* or *Rulings* from the drop-down menu. Using the Category box, select the tax type and then scroll down to find the *Document ID* or use the *Search Keyword* function to locate the document.

Publications

To view or print the department's publications, go to our website select the *About* tab on the home page and select *Legal Research* from the drop-down menu and then click on *Publications* from the drop-down menu.

Purpose of Form

Use Arizona Form 309-SBI to figure your credit for taxes paid to Arizona and another state or country on the same small business income. If claiming a credit for more than one state or country, complete a separate Form 309-SBI for **each** state or country.

NOTE: *If you are claiming a credit on Form 301 or 301-SBI for taxes paid to another state or county for the amount of taxes paid by a partnership or S corporation that elected to pay taxes at the entity level, the allowable tax credit on Form 309-SBI may not exceed the amount that would have been allowed if the income were taxed at the individual level and not taxed at the entity level. For more information, see Arizona Revised Statute § 43-1071(G).*

If you are claiming a credit for taxes paid to more than one foreign country for small business income received from an investment in a regulated investment company (RIC) including, but not limited to, mutual funds, exchange trade funds (ETF), and real estate investment trusts (REITS), see Income Tax Procedure (ITP) 20-1, *Procedure for Calculating Credit for Taxes Paid to Another Country by Arizona Resident Individuals*, for additional instructions.

NOTE: *Individuals claiming this credit must also complete Arizona Form 301-SBI, Nonrefundable Individual Tax Credits and Recapture, and include Form 301-SBI and Form(s) 309-SBI with your tax return to claim this credit.*

If you are not sure what amounts you should enter on Form 309-SBI, see the department's procedure, ITP 08-1, *Procedure for Calculating Credit for Taxes Paid to Another State or Country by Arizona Resident Individuals*.

NOTE: *You must notify the department immediately if the other state or country credits or refunds taxes for which you have received an Arizona credit. In this case, you must file an amended return.*

Complete this form only if you meet the following:

1. You are filing a 2025 Arizona small business income tax return.
2. You paid a **net** income tax related to small business income to another qualified state or country for 2025.

If you are claiming a credit for small business income taxes paid to another country, a net income tax paid to another country includes those taxes that qualify for a credit under Internal Revenue Code (IRC) §§ 901 and 903.

NOTE: *To claim a credit for taxes paid to a foreign country, you must complete Form 309-SBI. You must complete Form 309-SBI even if you did not have to complete federal Form 1116 to claim a credit on your federal return.*

You may **not** claim this credit for the following:

- income taxes paid to any city or county, and
- interest or penalties paid to another state or country.

NOTE: *If you file an amended return after you claim this credit, be sure to recalculate the credit, if required.*

Application of Credit

Claim this credit only if the small business income was subject to tax in both Arizona and the other state or country in the same tax year.

You cannot apply this credit against interest or penalties payable to Arizona.

NOTE: *You may use this credit only in the year incurred. You cannot carry the credit forward to the next year. You also cannot carry the credit back to a prior year.*

Are You Claiming Other Arizona Tax Credits?

A.R.S. § 43-1731 provides that residents shall be allowed a credit against the taxes imposed by Title 43, Chapter 17, for net income taxes imposed by and paid to another state or county on income taxable under this chapter.

"Taxes payable under this chapter" means the income tax imposed by this state on the taxpayer's taxable income as defined under section 43-1001 minus any tax credit amount claimed for the taxable year under this article but not including the credit amount under this section.

Therefore, Arizona will only allow a taxpayer to claim the credit for taxes paid to another state or country *after* applying all other available credits.

To determine if you have any remaining tax liability in which to apply the credit for taxes paid to another state or country, use the following rules when applying other tax credits.

- First, apply any credits that cannot be carried over or refunded.
- Second, apply any credits that can be carried over for a limited duration.
- Third, apply refundable credits

If there remains an income tax liability after applying those credits, then you may apply the credit for taxes paid to another state or country.

Arizona Resident

Arizona residents are allowed a credit against Arizona income taxes for net small business income taxes imposed by and paid to another state or country if the following apply:

- The small business income taxed in Arizona is derived from sources within another state or country. This income is subject to a net income tax in the other state or country regardless of your residence.
- The other state or country does not allow Arizona residents a credit for taxes imposed on small business income subject to tax in both Arizona and the other state or country.

As an Arizona resident, nonresident returns filed with the following states qualify for the credit:

Alabama, Arkansas, Colorado, Connecticut, Delaware, District of Columbia (see note below), Georgia, Hawaii, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Utah, Vermont, West Virginia and Wisconsin.

NOTE: Only income tax paid under the District of Columbia's Unincorporated Business Franchise Tax qualifies for the credit. The tax must be paid by an individual and not the business entity for the credit to qualify.

For tax year 2025, as an Arizona resident, nonresident returns filed with the following states qualify for the credit for the pass-through taxes paid on behalf of the Arizona resident.

Alabama, Arkansas, Colorado, Connecticut, District of Columbia, Georgia, Idaho, Illinois, Kansas, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Rhode Island, South Carolina, Utah, and Wisconsin.

Important: As an Arizona resident, nonresidents returns filed with the following states DO NOT QUALIFY for the PTE tax credit on the Arizona return:

California, Oregon and Virginia.

You may be able to claim a credit for taxes paid to Arizona on the nonresident return filed with any of those states listed above.

Nonresident

A credit against Arizona small business income taxes is allowed for Arizona nonresidents who are not allowed a credit by their state or country of residence for taxes paid to Arizona if either:

- The other state or country does not tax Arizona nonresidents on income derived from sources within the other state or country.
- The other state or country allows Arizona nonresidents credit for taxes paid on income subject to tax by the other state or country and Arizona.

Arizona nonresidents who file resident returns with the following states qualify for the credit.

- California, Indiana, Oregon, and Virginia

NOTE: This list is subject to change at any time.

Arizona nonresidents who file resident returns with the following states qualify for the PTE credit.

- California, Oregon, and Virginia

NOTE: This list is subject to change at any time.

Part-Year Residents

For that part of the year you were a resident of Arizona, follow the instructions for residents.

For that part of the year you were an Arizona nonresident, follow the instructions for nonresidents.

Dual Resident

You may be eligible to claim the credit if you are a full-year Arizona resident filing Arizona Form 140 and you are also considered to be a resident of another state under the laws of that other state. Figure your credit for taxes paid to Arizona and that other state on the same small business income that is taxable by both Arizona and the other state, but only on income that would be sourced to the other state if you had to report that income as a nonresident.

You may claim the credit as a dual resident if you meet the following:

1. You are filing a 2025 full-year Arizona resident income tax return.
2. You are considered to be a resident of another state under the laws of that other state.
3. You paid a **net** income tax to that other state.

An Arizona resident who is also considered to be a resident of another state under the laws of that state is allowed a credit against Arizona small business income taxes for net income taxes imposed by and paid to that other state if the following apply:

- The other state taxes the small business income of the Arizona resident and does not allow the Arizona resident a credit for taxes imposed on small business income subject to tax in both Arizona and the other state.
- The credit is allowed only for taxes imposed on income that would have been sourced to the other state if the Arizona resident had filed as a nonresident to the other state.

NOTE: *If you are an Arizona full-year resident and also considered to be a resident of another state under the laws of that other state, complete the Schedule of Income Allocation, on page 2 of Form 309-SBI before you complete page 1 of Form 309-SBI.*

Required Forms

Upon request by the department, the taxpayer shall provide the following as proof for claiming the credit.

- Copy of other state or country's tax return.
If the other country does not require a taxpayer to file a tax return, provide documentation showing amount of tax imposed and paid.
- Copy of brokerage statement, if applicable.
- Proof of payment.
- Statement showing conversion rate for taxes paid to other country.

Line-by-Line Instructions

Enter your name and Social Security Number (SSN) as shown on Arizona Forms 140-SBI, Form 140NR-SBI, Form 140PY-SBI, or Form 140X-SBI.

Make sure that every return, statement, or document that you file with the department has your SSN. Failing to include the proper numbers may subject you or your preparer to a penalty. Make sure that all of the required identification numbers are clear and correct. Your return may take longer to process if identification numbers are missing, incorrect, or unclear.

If your name appears first on the return, make sure your SSN is the first number listed.

Part 1 - Computation of Income Subject to Tax by Both Arizona and the Other State or Country During 2025

A. If you are claiming a credit for income taxes paid to another state, enter in the space provided, the two-letter abbreviation for that state. See the last page of these instructions for a list of state abbreviations.

country, enter the name of that country on the line provided. See note on page 3.

NOTE: *If you are claiming a credit for taxes paid to more than one foreign country for income received from an investment in a regulated investment company (RIC) including, but not limited to, mutual funds, exchange trade funds (ETF), and real estate investment trusts (REITS), enter "Various" in Part 1, on line B.*

In order for income to be taxed by both Arizona and another state or country, the following must exist.

For an Arizona resident:

1. The same small business income must be taxed by both Arizona and the other state or country.
2. The small business income must have its source within the other state or country.

For a nonresident:

1. The same small business income must be taxed by both Arizona and the other state or country.
2. The small business income must have its source within Arizona.

Lines 1 through 6

Provide a breakdown of your small business income which is subject to tax in both Arizona and the other state or country. Complete lines 1 through 5 separately for each small business income item listed in columns (a) through (c). If you have more than three items of income from the other state or country for which you are claiming the credit, complete additional schedules.

NOTE: *If you are an Arizona resident who is also considered to be a resident of another state under the laws of that other state, complete the Schedule of Income Allocation, on page 2 of Form 309-SBI before you complete Part 1, lines 1 through 6 of Form 309-SBI.*

Line 1

Identify the small business income item from which the income subject to tax in both Arizona and the other state or country is derived. If you have more than one income item, complete column(s) (b) and (c), as necessary. Examples of such income are business income, partnership income. Enter an item in column (a) only if your Arizona adjusted gross income and the adjusted gross income of the return filed with the other state or country includes the income from that item.

If you are an Arizona resident and also considered to be a resident of another state, enter the income item and amount from column (d) of the *Schedule of Income Allocation*.

If you are claiming a credit for taxes paid to another country, and that country withheld at the source, and you are not required to file a return with that country, enter the item of income from which the foreign taxes were withheld.

B. If you are claiming a credit for income taxes paid to another

Line 2

Enter the amount of small business income from the item listed on line 1 reportable to both Arizona and the other state or country. This is the amount of income derived from that item which you must include in the income reported to both Arizona and the other state or country.

NOTE: *If you are claiming a credit for taxes paid to more than one foreign country for income received from an investment in a regulated investment company (RIC) including, but not limited to, mutual funds, exchange trade funds (ETF), and real estate investment trusts (REITS), enter the total amount of income received on line 2, column (a).*

Line 3

Enter that portion of small business income on line 2 included in your Arizona adjusted gross income. This amount is that portion of the amount of income included on line 2 that is also included in your Arizona gross income adjusted by any additions or subtractions related to that income required under Arizona law.

For example, during the tax year, Taxpayer A, a full-year Arizona resident, had Schedule C small business income of \$50,000 from State P. This \$50,000 of Schedule C income is reportable to both Arizona and to State P.

For federal purposes, Taxpayer A included the \$50,000 in federal adjusted gross income, but also reduced that Schedule C business income by $\frac{1}{2}$ of the self-employment tax related to that income (\$3,532) and by the amount of self-employed health insurance deduction (\$6,000). Therefore, only \$40,468 [$\$50,000 - (\$3,532 + \$6,000)$] of the \$50,000 Schedule C income is included in Taxpayer A's Arizona gross income. Arizona law requires no further additions or subtractions related to this Schedule C income included in Taxpayer A's Arizona gross income. Therefore, the amount of Schedule C income included in Taxpayer A's Arizona adjusted gross income would be \$40,468. Taxpayer A would enter \$40,468 on line 3.

Line 4

Enter that portion of small business income on line 2 which is included in the other state or country's equivalent of Arizona adjusted gross income. If you are a full-year Arizona resident filing a nonresident return to the other state or country, this would be the other state or country's income computed under the equivalent of Arizona Revised Statute (A.R.S.) § 43-1094 (adjusted gross income of a nonresident). In other words, the income computed as if only source income were included, and then adjusted by any additions or subtractions related to that income required under the other state or country's law.

For example, during the tax year, Taxpayer A, a full-year Arizona resident, had Schedule C small business income of \$50,000 from State P. This \$50,000 of Schedule C income is reportable to both Arizona and to State P.

For federal purposes, Taxpayer A included the \$50,000 in federal adjusted gross income, but also reduced that Schedule C business income by one-half of the self-employment tax

related to that income (\$3,532) and by the amount of self-employment and by the amount of health insurance deduction (\$6,000). Taxpayer A was required to make these same adjustments on the return filed to State P. Therefore, only \$40,468 [$\$50,000 - (\$3,532 + \$6,000)$] of the \$50,000 Schedule C income is included in State P's equivalent of Arizona gross income.

Additionally, State P law allows Taxpayer A to subtract an additional amount of \$2,000 of depreciation related to the Schedule C income. Therefore, the amount of Schedule C income included in State P's equivalent of Arizona adjusted gross income would be \$38,468 ($\$40,468 - \$2,000$). Taxpayer A would enter \$38,468 on line 4.

Line 5

Enter the smaller of the amount entered on line 3 or line 4. This is the amount of income from that item which is subject to tax by both Arizona and the other state or country.

Line 6

Add line 5, columns (a) through (c). This is the total small business income subject to tax in both Arizona and the other state or country.

If less than zero, enter "0." In this case, there is no income that is subject to tax in both Arizona and the other state or country. You cannot claim a credit for taxes paid to the other state or country.

Enter the amount from Part 1, line 6, on Part 2, line 8, and also on Part 2, line 13.

NOTE: *The amounts on lines 2 through 5 may be the same. However, differences may occur due to the application of the other state's law. See the example on page 5.*

Part 2 - Computation of Other State or Country Tax Credit

Line 7

Enter your Arizona tax liability less any credits. However, do not reduce your Arizona tax liability by the other state tax credit.

For 2025, your Arizona tax liability prior to tax credits can be found on the following line number.

Arizona Form	Line Number
140-SBI	54
140PY-SBI	54
140NR-SBI	52
140X-SBI	54

NOTE: *If you are taking other tax credits, you must reduce your Arizona tax by the amount of those other tax credits. For the purpose of this computation, be sure to reduce your Arizona tax by both refundable and nonrefundable credits.*

If you received distributed income from a partnership and/or S Corporation (the Entity) reported on Schedule K-1 or K-1(NR) and the Entity elected to pay Entity-Level Income Tax on your

pro-rata share of the distributed income, enter the total taxes paid from the following:

- tax amount paid on your Arizona Small Business Income tax form (see box above); and
- your pro-rata share of the tax paid by the Entity on your behalf. This tax amount cannot exceed the amount of the Arizona individual income tax that would have been paid if the taxpayer had opted out of paying tax at the entity-level.

Line 8

Enter amount from Part 1, line 6.

Line 9 - Entire Income Upon Which Arizona Tax is Imposed

Enter your entire small business income upon which Arizona tax is imposed.

Part-Year Residents With Arizona Source Income for the Period of the Year in Which You Were an Arizona Nonresident

If you have Arizona source small business income for the period of the year in which you were an Arizona nonresident, you must separately determine the amount of Arizona adjusted gross income for the period in which you were a resident and the small business amount for the period in which you were a nonresident. These figures are not separately stated on any particular line on your Arizona Form 140PY-SBI.

Lines 10 and 11

Follow the instructions on the form for lines 10 and 11.

Line 12

12a. Enter the name of the other state or country.

12b. Enter the amount of small business income tax paid to the other state or country. Do not include federal income taxes or any taxes paid to a city or county. Also, do not include any amount paid to the other state or foreign country for penalty or interest. Amounts of tax paid or accrued to a foreign country do not include amounts that are reasonably certain to be refunded, credited, rebated, abated, or forgiven.

If you received distributed income from a partnership and/or S Corporation (the Entity) reported on Schedule K-1 or K-1(NR) and the Entity elected to pay Entity-Level Income Tax on your pro-rata share of the distributed income, enter the total taxes paid by the Entity on your behalf. This tax amount is limited to the amount actually paid by the Entity or the amount of the other state's individual income tax had the Entity not elected to pay the tax at the entity level, whichever is less.

Line 13

Enter the amount from Part 1, line 6.

Line 14 - Entire Income Upon Which Other State or Country's Income Tax is Imposed

Enter the entire small business income upon which the other state or country's income tax is imposed. This is the other state or country's equivalent of Arizona small business income, such income must include items of income and loss. Such income must also be adjusted by any additions or subtractions required under the other state's law which relate to the income

from sources within the other state. This amount may not be shown on a specific line of the return filed with the other state.

If you are claiming a credit for taxes paid to another country, and that country withheld at the source, and you are not required to file a return with that country, enter the amount of income subject to tax in that foreign country.

NOTE FOR ARIZONA RESIDENTS ONLY: *Since the other state can only tax a nonresident on income which is sourced to that state, the entire income upon which the other state's income tax is imposed includes only income sourced to that other state under its income tax laws. Source income is generally income derived from property located within a state or from an activity carried on within a state when the income recipient is a nonresident.*

NOTE: *You may not be able to take the entire income upon which the other state or country's tax is imposed from a specific line on the return filed to the other state or country. If you must determine this amount, include a schedule.*

If you have questions concerning what amount to enter on line 14, call one of the phone numbers listed at the beginning of these instructions.

Lines 15 and 16

Follow the instructions on the form for lines 15 and 16.

Line 17

Enter the smaller of line 11 or line 16. If this is the only state or country for which you are claiming a credit, also enter this amount on Arizona Form 301-SBI, Part 1, line 2, column (a).

If you are claiming a credit for more than one state or country, make a separate computation for each. Enter the total from all Arizona Forms 309-SBI on Arizona Form 301-SBI, Part 1, line 2, column (a).

Form 309-SBI, Page 2 – Schedule of Income Allocation Instructions

NOTE: *If you are a full-year Arizona resident that is also considered to be a resident of another state under the laws of that other state, you must complete the Schedule of Income Allocation on page 2 of Form 309-SBI before you complete page 1 of Form 309-SBI.*

Complete page 2, *Schedule of Income Allocation*, **only** if you are a full-year Arizona resident who is also considered a resident of another state under the laws of that other state. All other taxpayers skip page 2, *Schedule of Income Allocation*.

Because the credit allowed for a full-year Arizona resident that is also considered to be a resident of another state is for taxes paid to that other state on income sourced to that other state, you must complete the *Schedule of Income Allocation*, before you can complete lines 1 through 6 (page 1) of Form 309-SBI.

This schedule allocates income between income sourced to the other state and income from everywhere else that is taxable to the other state. Complete column (a) before completing columns (b) through (d). On lines 1 through 7 of column (a), for each line, enter the amounts reported on your federal

income tax return. In column (b), enter the amounts listed in column (a) that are included in income reported on your Arizona return. In column (c), enter the amounts listed in column (a) that are included in income reported on the return filed with the other state. In column (d), enter the amounts listed in column (c) that would be sourced to the other state if you were a nonresident of that state filing a nonresident return to that state.

List of State Abbreviations

State		State		State		State	
Alabama	AL	Indiana	IN	Missouri	MO	Pennsylvania	PA
Arkansas	AR	Iowa	IA	Montana	MT	Rhode Island	RI
California	CA	Kansas	KS	Nebraska	NE	South Carolina	SC
Colorado	CO	Kentucky	KY	New Jersey	NJ	Utah	UT
Connecticut	CT	Louisiana	LA	New Mexico	NM	Vermont	VT
Delaware	DE	Maine	ME	New York	NY	Virginia	VA
District of Columbia	DC	Maryland	MD	North Carolina	NC	West Virginia	WV
Georgia	GA	Massachusetts	MA	North Dakota	ND	Wisconsin	WI
Hawaii	HI	Michigan	MI	Ohio	OH		
Idaho	ID	Minnesota	MN	Oklahoma	OK		
Illinois	IL	Mississippi	MS	Oregon	OR		

You may qualify to file your federal and Arizona individual income returns for FREE!!



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Be sure to use www.azdor.gov to access your preferred software vendor to ensure free filing for your federal and state returns.

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The state of Arizona may be holding money that you have forgotten about, lost or never knew you had!



Arizona wants to reunite you with your unclaimed, lost or forgotten assets.

- Uncashed, payroll, dividend or cashier's checks
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Before using paper, E-File and select the Direct Deposit option for a faster refund!



Free federal and state tax preparation for taxpayers who are:

- Elderly
- Americans with disabilities
- Low income

For locations, call 211 or go to

www.211arizona.org



DO YOU QUALIFY FOR AN ARIZONA TAX CREDIT?

You may claim the INCREASED EXCISE TAX CREDIT if:

- you are an Arizona resident
- you are not claimed as a dependent by any other taxpayer
- your federal adjusted gross income was \$ 25,000 or less (\$12,500 if single)
- you were not sentenced for at least 60 days of 2024 to a county, state or federal prison

Up to
\$100
per household

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Access all the information you need online at www.azdor.gov, including:

- Forms and Instructions
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WALK-IN SERVICE

You may get forms and information at our Phoenix and Tucson offices.



Visit azdor.gov for taxpayer support services that may be accessed by phone or computer.

We have offices at the following locations:

Phoenix

1600 West Monroe Street
Phoenix, AZ 85007

Tucson

400 West Congress Street
Tucson, AZ 85701

Forms Only:

Mesa

55 North Center Street
Mesa, AZ 85201



PHONE

Phoenix (602) 255-3381
Toll-free from area codes
520 and 928 (800) 352-4090

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Do not include any correspondence with your payment; mail separately to the department.